FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 008 *11 January 1985*

INTER-AMERICAN AFFAIRS

Contadora Declaration Calls for Area Meeting [AFP] A 1
Ministers Comment [Radio Sandino] A 2

ARGENTINA

Anti-Inflation Measure Aimed at Central Bank [BUENOS AIRES HERALD 10 Jan] B 1
YPF Discounts Possibility of Oil in Falklands B 1
CGT Presents Document on Social Situation B 2
Issues Communique B 3
Dissident Peronists To Discuss New Congress [BUENOS AIRES HERALD 10 Jan] B 4
Authentic Socialist Leader Scores Alliance [BUENOS AIRES HERALD 10 Jan] B 4

BOLIVIA

Installation Ceremony for New Cabinet Held 10 Jan C 1
Soviet Union Offers Loan to Mining Industry C 1

BRAZIL

Liberal Front To Write Government Platform [O ESTADO DE SAO PAULO 9 Jan] D 1
Meeting With Venezuela on Drug Control Ends D 1
Workers Party Decides To Boycott Elections D 2
CACEX Reports 1984 Trade Balance Surplus [O GLOBO 9 Jan] D 2

CHILE

Bomb Explodes Near Sheraton Hotel; No Injuries E 1
Acting Minister Comments E 1
18 Arrested at Court of Justice Building E 1
Four Vector Institute Officials Released E 2
Military Court Paroles Metropolitan Leader E 2
Interior Ministry Banishments Total 230

COLOMBIA

Betancur Issues Salary Increase Guidelines F 1
Defense Minister, Other Officials Appointed F 2
Authorities Protect Spaniards After Threats F 2

ECUADOR

Deaths, Injuries Result in First Day of Strike G 1
Two Deaths Reported G 1
Two Killed in Dynamite Blast G 1
More Than 50 Injured G 1
Government Official on Strike G 2

PERU

Attorney General Says Human Rights Not Respected J 1
APRA, United Left Oppose Draft Emergency Law J 1
Ambassador To Attend Ortega Inauguration J 1

URUGUAY

Broad Front To Meet Sanguinetti Over Attacks K 1
Tenth Attack Reported K 1
Exile Named Dean of Architecture School K 1

PANAMA

RPC-TV at Joint U.S. Exercise Coordination Site N 1
Students Protest Exercises N 1
[LA PRENSA 9 Jan]
Uruguay's Seregni Views Area Problems N 2

CENTRAL AMERICA

BELIZE

Esquivel Reads Reagan Letter, Views Devaluation P 1

COSTA RICA

Border Guard Reinforced, Ordered to Fire P 1
Border Situation 'Normal' P 2
Diplomatic Relations Established With Indonesia P 2

EL SALVADOR

Unidentified Men Kill PCN Mayor of Santa Elena P 2
[LA PRENSA GRAFICA 9 Jan]
FPL Front Reportedly Executes 'Torturer' [EL MUNDO 8 Jan] P 3

GUATEMALA

Mejia Victores on Foreign Policy, Economy in 1984 P 3
Bodies of Two Farm Administrators Found P 5

HONDURAS

Paz Barnica on Fagoth Expulsion, U.S. Bases P 6
Commission Member Discusses Relocation of CREM P 7

NICARAGUA

Daniel Ortega Inaugurated as President P 8
Havana TV Carries Ceremony P 8
Ortega Inaugural Address P 9
Further Reportage on Delegations to Inauguration P 15
Castro Delegation Arrives P 15
Argentina's Martinez Meets Castro [TELAM] P 16
Contadora Mission, Others P 17
Liber Serengi, Juan Bosch [BARRICADA 9 Jan] P 17
Greek Communist Party Congratulates Ortega [cross-reference] P 18
PSC's Jarquin on Cooperation With Government P 18
LA PRENSA Workers Suspend Publication as Protest [ACAN] P 18
Violetta Chamorro on Censorship P 19
[San Jose Radio Impacto]
Exile Groups Urge Nonrecognition of Ortega [ACAN] P 19
Misura Reports Condition of 23 Sandinist Prisoners P 20
[Teguicalpa LA TRIBUNA 9 Jan]

CUBA

Castro Attends Daniel Ortega Inauguration [AFP] Q 1
Further Report Q 1
Fidel Castro Mourns Death of PRK's Chan Si [Phnom Penh] Q 2
Castro Meets With Spanish Newspaper Director Q 2
Agreement on Citizens Travel Signed With USSR Q 2
USSR, U.S. Agree To Begin Arms Negotiations Q 2
Decision Considered 'Good News' Q 3
Summer Linguistics Group Criticized in Mexico Q 4
Matanzas Builds New Thermoelectric Plant Q 4
Almeida Attends Ceremony at History Museum Q 4

DOMINICAN REPUBLIC

Venezuela Agrees To Restructure Oil Debt R 1
Argentina Increases Trade Credit by $3 Million R 1
[LISTIN DIARIO 28 Dec]
Commission Appointed To Investigate Murders R 1

OTHER COUNTRIES

GUYANA

Rice Board Reports on 1984 Rice Production V 1

JAMAICA

PNP Reaffirms Solidarity With Sandinists V 1

TRINIDAD AND TOBAGO

Prime Minister Chambers Announces 1985 Budget V 1

CONTADORA DECLARATION CALLS FOR AREA MEETING

PA101205 Paris AFP in Spanish 2021 GMT 9 Jan 85

[Text] Panama City, 9 Jan (AFP) -- The foreign ministers of the Contadora Group today proposed a meeting of representatives from the Central American governments on 14 and 15 February, "to decide on the verification and control mechanisms" and other issues pending for the signing of the peace plan.

The joint declaration delivered today to the news media at the end of the 2-day meeting of the foreign ministers of Venezuela, Colombia, Panama, and Mexico specifies that the meeting would prepare the conditions for a conference to sign the final version of the Central American peace and cooperation plan.

The foreign ministers said that they will immediately send to their Central American colleagues the terms of the present declaration and they considered that "it would be unacceptable for political intransigency and the use of power to prevail over dialogue and negotiation." In this respect, they referred "with deep concern" to the intimidating demonstrations and the destabilizing actions currently altering coexistence in Central America and obstructing the pacification process. They also asked the Central American governments to show "without reservation" their goodwill by effectively complying with the agreements contained in the document of objectives they signed in September 1983.

"It is necessary to halt any action that obstructs the efforts being made on behalf of peace, security, and stability in the region; to broaden all types of consultation and contacts in favor of the negotiation process; and to prevent any incident that can obstruct it," they said. They also urged the Governments of the United States and Nicaragua to intensify the dialogue they are holding in Manzanillo, Mexico, in order to normalize their relations and achieve detente in the region. They also recognized the "importance" of intensifying the dialogue between the Salvadoran Government and guerrillas so as to put an end to the conflict troubling that country.

The Contadora Group, the declaration says, has accepted the observations on the peace plan draft that contribute to making the document more precise and that in addition give formulas to conciliate different positions which still are pending. The foreign ministers reiterated their will to continue promoting negotiations for an agreement establishing an order of regional coexistence that "promotes a sustained economic development and strengthens democratic and pluralist institutions."

Further on, after completing discussions on the technical aspects and on the observations, they said "the political negotiation phase has been reached" and therefore they called for a conference of Central American plenipotentiaries on 14 and 15 February. This conference will be held to agree on the verification and control mechanisms and to solve pending issues in order to sign the Contadora peace plan.

The declaration also refers to the accomplishments of the Contadora Group and mentions the establishment of regional political mechanisms, a negotiation and dialogue process among the five governments, and identification of the problems troubling Central America. Also in these 2 years of work, specific commitments were proposed in the document of objectives and in the rules for the implementation of these commitments, and consultation and negotiation efforts were coordinated which led to the drafting of the peace and cooperation plan as "the legal instrument to promote coexistence and to obtain just and stable development." The declaration says that the efforts of the Contadora Group made international circles aware of the Central American crisis and the Group received the support of the international community for a peaceful solution.

"These political achievements have contributed to the prevention of an armed conflict in the region, of serious consequences for Central and Latin America and for international peace and security," the document concludes.

Ministers Comment

PA101801 Managua Radio Sandino Network in Spanish 0000 GMT 10 Jan 85

[Text] The Contadora foreign ministers have completed the stage of technical discussions and observations on the Central America peace document, and the stage of political discussions has now begun. Contadora has called for a meeting of Central American plenipotentiary representatives on 14-15 February in order to reach decisions on verification and control mechanisms as well as on other matters still pending for the signing of the document.

Panama, Mexico, Colombia, and Venezuela approved some of the changes to the peace document for Central America that were proposed by Honduras, El Salvador, and Costa Rica. The following statements were made by Colombian Foreign Minister Augusto Ramirez Ocampo in Panama City with regard to the resolutions reached at the meeting, which concluded this afternoon in that city:

[Begin recording] [Ramirez] Then comes the topic of security. Several concerns have been raised with regard to this topic, all of which are aimed at preventing the document from becoming merely a piece of paper. The document raises major issues with regard to the sovereignty of the countries, and such significant topics as the arms buildup, support to subversive groups separate from the topic of military maneuvers per se [as heard], and military advisers. All this has been reviewed extensively by these countries, and toward this end we have received not only the written observations which the governments sent us by the deadline of 7 December, which is embodied in the draft of the document subject to these observations, but those which they made during our many meetings with each of them following the one we held in Brazil at the time of the OAS General Assembly. We have multiplied our contacts since 15 October, when it was specifically stressed that we would be entering this stage of political talks.

Each of us has remained in contact with the Central American foreign ministers, and it is because of the observations, written and other, that they have submitted that we have managed to work out at this meeting a number of proposals aimed at bridging the gap among the parties. These proposals will be submitted to the Central American countries at the meeting scheduled to be held here in Panama City on 14-15 February among plenipotentiary representatives with negotiating powers. We hope to make much progress toward conciliation at that time. [end recording]

For his part, Venezuelan Foreign Mnister Isidro Morales Paul asserted that Contadora has prevented war, even though it has not yet succeeded in establishing peace in Central America.

[Begin recording] [Morales] We hope that the countries directly involved will demonstrate their political will by accepting the suggestions we are making or by at least making suggestions that may help overcome the [words indistinct] and to bring this entire (?process) to fruition at a conference, the objective of which would be to sign the document. We do not want to sound too optimistic, because we are fully aware of the difficulties we face and the complexity of our goals. However, we do wish to state that our determination to continue struggling for peace remains unchanged and that it will not diminish with the passage of time or because of the enormous difficulties we must overcome. [end recording]

ANTI-INFLATION MEASURE AIMED AT CENTRAL BANK

PY102318 Buenos Aires BUENOS AIRES HERALD in English 10 Jan 85 p 7

[Text] (NA-DYN) -- Economy Minister Bernardo Grinspun said yesterday he wanted to eliminate the monetary regulation account from which the Central Bank pays banks interest on their frozen funds because its deficit accounted for half the monetary growth during 1984. The minister said his department was studying measures to gradually reduce the disbursements from the account, which also receives a retribution for the loans banks make with the funds deposited in current accounts. Grinspun said the measures had to be applied gradually to avoid a disruption of the financial system which has relied heavily on the regulation account since June 1977.

The minister also announced the budget would definitely be submitted to Congress on January 28 after three extensions requested by the government which by law should have completed the budget by September 15. Grinspun said the budget was practically completed and after his return from Europe, where he travels tomorrow for talks with the Paris Club on the rescheduling of the foreign debt, his time would be spent with the budget and proposed tax and financial reforms, including the monetary regulation account measures.

YPF DISCOUNTS POSSIBILITY OF OIL IN FALKLANDS

PY101955 Buenos Aires DYN in Spanish 2021 GMT 9 Jan 85

[Text] Buenos Aires, 9 Jan (DYN) -- The Government Oil Deposits (YPF) today announced that "based on reports on research activities, the possibilities of finding adequate amounts of hydrocarbons for sound commercial exploitation on the Malvinas Islands are quite remote." In an official statement, the YPF states that "in the face of persistent reports about the alleged existence of oil in the archipelago and the authorization by the British Government to a U.S. company to prospect for oil on the islands, the YPF makes it clear that the work to which the press has been referring is only preliminary which, in the petroleum field, simply means identifying areas that would merit exploration in the future."

Upon noting that the "YPF has not conducted specific prospecting efforts for hydrocarbons on the Malvinas and thus it has no data or analysis information for an evaluation," the statement says: "However, based on a study of reports published on the islands by researchers from Argentine universities and from the National Scientific and Technical Research Council, it can be stated that the possibilities of finding adequate amounts of hydrocarbons for sound commercial exploitation are quite remote." The YPF statement adds that this is contrary "to the conclusions of studies conducted in several areas of the Argentine continental shelf, in many of which there are signs of possible oil-bearing beds whose economic potential and significance are as yet unknown."

The report states that "some studies of economic geology, which have yielded no indication of the existence of hydrocarbons, have been conducted in the present-day remnants of the original Paleozoic basin, which includes the Malvinas Islands, southern Buenos Aires Province, and South Africa, whose stratigraphic similarity is widely known."

"All data indicated that the basic requirements for the existence of petroleum, except the thick sedimentary cover, have not appeared, primarily owing to the apparent absence of host rock," the YPF adds. "All this leads to the generalized consensus that the Malvinas Islands lie on rocks that are of no interest to the petroleum industry and, on the contrary, constitute the technical basement of adjacent, younger basins," the report concludes.

CGT PRESENTS DOCUMENT ON SOCIAL SITUATION

PY092312 Buenos Aires TELAM in Spanish 1543 GMT 9 Jan 85

[Text] Buenos Aires, 9 Jan (TELAM) -- In a document it has delivered to President Raul Alfonsin, the General Confederation of Labor (CGT) says that while basic issues are being dealt with, the dramatic social situation is forcing it to seek formulas for the immediate solution of several issues, such as unemployment, salaries, social welfare, and the repeal of the labor and social laws of the de facto government.

The CGT leaders today met with President Alfonsin at Government House for more than 2 hours during which they gave him a copy of the CGT document, which they also released to journalists afterward. The CGT document points out that the Argentine labor movement was, is, and must continue to be active in forging the country's destiny in order to achieve the deepest aspirations of the Argentine people and generously contribute to the great national policies that will lead to shaping our community.

Jorge Triaca, Saul Ubaldini, Osvaldo Borda, and Ramon Baldassini, who signed the document, note that it is practically a copy of the one drawn up on 3 September 1984, since the current situation has reached the regrettable seriousness predicted in that document. In this regard, the CGT states that it must once again be pointed out that, having achieved the priority objective of restoring a democratic way of life, economic growth must necessarily be promoted and that this will only be possible through the productive sectors. Moreover, the CGT document notes, this economic growth was the common denominator of the programs of all the popular parties, since democracy in itself does not guarantee harmonious economic growth.

The CGT leaders also recall that they have always supported the socioeconomic contract talks so that within that framework an increase of the real salary will be achieved in keeping with the necessary economic reactivation, the full exploitation and increase of the installed productive capacity, and the increase of the economy's overall efficiency. The document states that today we see that salaries are continuing to be fixed in an authoritarian and unilateral manner by the state, much the same as they were fixed during the regrettably famous de facto government, thus, in practice, continuing the distorted practice of using variables for adjusting economic denominators. To top everything, the economy is not showing sustained growth nor does the economic program reveal the firm decision of eliminating the domestic monopolistic powers that set prices nor of implementing a distributive fiscal policy. The CGT document goes on to state that the desperate salary situation deserves to be discussed separately, pointing out that increases which are far under the real cost of living are decreed for workers and pensioners whose income is far below the levels of a decent standard of living and who are also affected by expenses to maintain their health in old age.

The CGT believes that it is necessary to urgently implement an investment policy that will favor the productive activities, setting sectorial, regional, and social priorities within a stable and coherent framework, and that will be complemented at a public level with strict austerity measures and the recovery of the level of social public expenditures per inhabitant without this entailing dismissals, suspensions, loss of the salaries' purchasing power, or a delay in their payment, as is currently happening.

The CGT says it observes with dismay the alarming daily increase in the level of unemployment, which, far from suggesting an expanding economy, suggests the contrary. We believe that reducing unemployment is not itself the priority, since this would affect labor sources in a country where there is so much to be done, but rather the priority is to build up our nation with the support of all the Argentine people's creativity.

Salaries, the document says, may become a developing and promoting factor in the general economic reactivation, and not only in the consumption increase aspect, but in a creative and enriching aspect as well.

The document says that the CGT still claims that the basis for a truly national economic plan has not yet been laid, but on the contrary, it seems that the well-known recessive IMF measures are in force, which, together with the painful and inevitable general price increase, represents another blow to the neglected sectors and contributes to their further social alienation. The CGT believes that the financial establishment should be defeated and to achieve this, a new law for financial companies must be promulgated so as to improve national savings and to definitively end speculation which has so greatly damaged the country and made it dependent.

The CGT wants credits to be granted to promote certain activities and for them not to be concentrated to the advantage of multinational corporations and oligopolies. Public savings should be put at the service of regional economies, and national resources should be reallocated and directed away from the less productive and virtually unproductive activities sectors, particularly dedicated to generating wealth. In this manner, the document adds, a credit policy serving the highest national interests must be established, thus depriving official banks of their current commercial profiteering and forcing them to comply with their obligation of promoting small and medium-size enterprises and agricultural activities. Private banks should also contribute to the social effort of development and should not use credits merely to gain profits, because otherwise an authentic national reconstruction policy will not be achieved.

The document says that to reach these objectives, and considering that they are not the definite solution to the Argentine problems as long as this spurious financial system prevails, the CGT concretely proposes to send Congress a bill on financial companies that would take into consideration the imperative national needs. This bill would be drawn up with CGT participation. The CGT stresses the fact that while the basic issues are being solved, we must also seek immediate solutions to problems of the various sectors in the following areas: A) unemployment; B) salaries (including pensions); C) social welfare facilities, which are the exclusive property of the labor organizations; and D) repeal of the social and labor laws of the de facto government. Finally, the CGT asks the president to give a proper reply to its petitions as soon as possible, which should reflect a heroic change in attitude, in accord with the president's views, to strengthen a common front in defense of democracy.

Issues Communique

PY102100 Buenos Aires DYN in Spanish 1249 GMT 10 Jan 85

[Text] Buenos Aires, 10 Jan (DYN) -- The CGT has issued a communqiue that states that the agreements it has reached with President Raul Alfonsin reflect "an attitude of great change." Under the terms of the agreements, beginning in February the CGT will have decisionmaking power with regard to salary readjustments.

According to the communique released by the CGT Executive Board, at the meeting held on 9 January the president assured labor leaders that "as of February, the government will no longer unilaterally establish the salaries of private and public servants and of current and retired workers." The CGT will also participate in the analysis and formulation of the financial agencies' draft law that the government will submit to Congress during the current period of special sessions.

The communique stresses that the president "announced a substantial increase in the 1985 budget allocations earmarked for public works and housing, taking into account that their multiplying effect can reactivate the economy."

The communique adds that "as for the CGT's concern over social services, it was agreed with Dr Alfonsin that the CGT will participate in the analysis of the problems affecting those services. This will allow the adoption of specific and urgent measures aimed at normalizing the operation of the social services, and it will also permit the creation of a permanent management system for running such services, on the basis of the unquestionable premise that unions are the services' legitimate owners." The CGT communique also points out that among other measures, "the president announced the creation of a special office within the Labor Ministry to handle the problems of public servants." As for the laws that were enacted by the military regime and that have not yet been abolished, the CGT communique stresses that the issue "will be given priority treatment by the government in close cooperation with the CGT."

The CGT proclaims itself "the only genuine representative of the Argentine workers' professional interests," and states that the meeting held on 9 January "proves that it supports constructive dialogue." The CGT communique concludes by saying that "the serious consideration of the proposed solutions to the problems affecting our people involve an attitude of deep change that will help us defend our institutions and attain our development."

DISSIDENT PERONISTS TO DISCUSS NEW CONGRESS

PY102316 Buenos Aires BUENOS AIRES HERALD in English 10 Jan 85 p 7

[Text] (NA-DYN) -- Leaders of a dissident Justicialist group who walked out of a party congress last month and questioned the party leadership elected by the congress in court will meet today to discuss details of their own congress scheduled to be held on February 2 either in Tucuman or Santiago del Estero. The 48 representatives of the 24 electoral districts are also expected to discuss the stance to be taken in the conciliatory hearing called for next Tuesday by Electoral Judge Juan Fegoli in a bid to heal the breach between the two warring factions. Raul Bercovich Rodriguez, who chaired the congress in which Santa Fe Governor Jose Vernet was elected first vice president of the National Justicialist Council, met with Fegoli yesterday and told him he was willing to also chair the congress called by the dissidents. He also told the judge he would attend the conciliatory hearing in which the Vernet group was expected to propose the holding of a further session of the congress to debate the differences with the dissidents.

Sources close to the dissidents said they would reject the proposal as they considered the congress, in which Buenos Aires Province Justicialist boss Herminio Iglesias was elected secretary-general of the council, null and void and therefore lacking in powers to continue in session.

AUTHENTIC SOCIALIST LEADER SCORES ALLIANCE

PY102312 Buenos Aires BUENOS AIRES HERALD in English 10 Jan 85 p 7

[Text] (DYN) -- Simon Lazara, secretary of the Authentic Socialist Party, yesterday strongly criticized an electoral alliance of other socialist factions, charging some had cooperated with the former military regime and had not defended human rights and freedom. Lazara said his own party, a merger last December of yet other socialist factions, was "the only alternative for building a socialist force at the service of the national cause." His criticisms centred on the Democratic Socialist Party whose late leader Americo Ghioldi was ambassador to Portugal during the first stage of the military regime. Besides the Democratic Socialist Party, the alliance includes the Popular Socialist Party and part of the Socialist Confederation as well as the Chaco Socialist Federation.

Ghidoli died on December 10 and his wife, Delfina Varela Dominguez, died on Tuesday, the day the new alliance was announced.

INSTALLATION CEREMONY FOR NEW CABINET HELD 10 JAN

PY101745 La Paz Cadena Panamericana in Spanish 1700 GMT 10 Jan 85

[Report by Jaime Siles]

[Text] This is a report by the Panamericana mobile unit from Government House. The installation ceremony of the new cabinet concluded a few minutes ago. Here are the names of the ministers who took the oath of office at Government House a few minutes ago:

Foreign affairs and worship minister: Edgar Camacho Omiste
Interior, migration, and justice minister: Federico Alvarez Plata, ratified
National defense minister: Manuel Cardenas Mallo, ratified
Planning and coordination minister: Freddy Justiniano
Finance minister: Franciso Belmonte Cortes
Energy and hydrocarbons minister: Ronald Zavaleta Mercado
Transport and communications minister: Hernando Poppe Martinez, ratified
Peasant and agricultural affairs minister: Guillermo Moscoso, ratified
Labor and labor development minister: Gonzalo Guzman
Mining and metallurgy minister: Luis Pomier Gomez, ratified
Public health and social welfare minister: Javier Torres Goitia, ratified
Information minister: Mario Rueda Pena, ratified
Industry, commerce, and tourism minister: Hugo Montero Mur, ratified
Housing and urban affairs minister: Emilio Ascarruz Paredes
Minister secretary general of the presidency: Freddy Penaloza Torricos
Civil aeronautics minister: Antonio Arnez Camacho, ratified

[La Paz Radio Illimani Network in Spanish at 1645 GMT on 10 January reports on the swearing-in ceremony and adds the following names: Education and cultural minister, Cesar Chavez Taborga and secretary general of integration, Percy Fernandez Anez]

SOVIET UNION OFFERS LOAN TO MINING INDUSTRY

PY071830 La Paz Radio Illimani Network in Spanish 1700 GMT 7 Jan 85

[Excerpts] The Mining Corporation of Bolivia (Comibol) has received a $220-million financial offer to solve the serious problems faced by Bolivia in the field of mining equipment. The offer, which is being analyzed by the Comibol joint management-labor board, was made by the Soviet Union, and it is meant to help solve Comibol's financial problems and improve Bolivia's mining industry.

The $200 million are earmarked for equipment machinery and tools to improve the production systems and lower production costs. It is a two-part offer: $200 million to be used by government mining companies, and $20 million to be used by private and cooperative mining companies. The government companies would have to pay 5 percent interest and the private sector 5.5 percent. The loan would have to be repaid in 10 years, but there is a 2-year grace period.

The Soviet Union Embassy charge d'affaires has reported that the loan could be made available in 1985, and whether or not it is, depends on the Comibol.

LIBERAL FRONT TO WRITE GOVERNMENT PLATFORM

PY102238 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 9 Jan 85 p 6

[Excerpts] Yesterday upon receiving the program of the Liberal Front Party [PFL], Aureliano Chaves said that his primary objective will be "to convince everyone to make a contribution to building a stronger, happier, and less unequal nation." He also stressed that the contribution the PFL will make to the government of the Democratic Alliance "will be gradual throughout the government's term in office, through leaders not chieftains, through participatory action not isolated attempts." Chaves explained that the program will be debated, and he welcomed suggestions until 24 January, when the final text will be approved along with the documents founding the party. On that occasion, the members of the temporary National Commission, which is the party's executive body, and of the National Council, which is the party's deliberative and consultative body, will be appointed from among the state governors and notable personalities of the new party.

Few politicians participated in the ceremony held in the vice president's office, where Aureliano Chaves also received a 900-page document containing suggestions for the government program of the Democratic Alliance candidate. Several experts and congressmen, headed by Senator Jorge Bornhausen of Santa Catarina, have put together suggestions received from businessmen, professionals, professional associations, and state governments. However, they have not written a final document like the one written by the PMDB, entitled "The New Republic." Their document, which has not been released to the press, will be sent to the partisan commission appointed by Tancredo Neves to prepare his government program.

In the political and institutional areas, the PFL program calls for a new constitution, free and direct elections at all levels, a reorganization of the political parties, the reestablishment of congressional prerogatives, reform of the judiciary branch, modernization of the penal system by reducing imprisonment to a minimum, strengthening of the federation, less administrative centralization, and the establishment of a national planning system under the control of the popular representative bodies. The program also defends the preferential treatment for the national private enterprises, especially the very small, small, and medium-sized companies; a financial policy geared to channel domestic savings into productive activities, "eliminating speculation and revamping the financial market;" and implementation of "an effective and balanced policy of public spending os the public deficit will not fuel the inflationary process."

In the social area, the PFL platform proposes, "whenever it is possible and necessary," the sale of fixed and nonfixed assets owned by the state in order to implement social programs; institution of the co-management system for the administration of mixed-economy companies and public enterprises; reform of labor legislation; recognition of the right to strike peacefully; and institution of unemployment insurance.

MEETING WITH VENEZUELA ON DRUG CONTROL ENDS

PY102334 Brasilia Domestic Service in Portuguese 2200 GMT 10 Jan 85

[Excerpts] The first meeting of the joint Brazilian-Venezuelan drug commission closed today in Brasilia. The commission approved some final recommendations that the two countries should observe both in the areas of control and repression. Some of them have to do with the control of aircraft, vehicles, and transport in general, as well as of passengers arriving from one country into the other.

Another recommendation that was approved was including subjects related to the prevention of drug abuse in school curriculums, beginning in the first grade.

Brazil and Venezuela should also promote the creation of a South American organization for the rapid exchange of information on drug trafficking. The head of the Brazilian delegation, Artur Pereira de Castilho Neto considered the results of the meeting very positive. Castilho announced that the second commission meeting will be held in Caracas sometime this year.

WORKERS PARTY DECIDES TO BOYCOTT ELECTIONS

PY091748 Sao Paulo Radio Bandeirantes Network in Portuguese 1555 GMT 9 Jan 85

[Text] A short while ago the leadership of the Workers Party (PT) decided not to attend the Electoral College voting. However, three PT members will attend and vote for the opposition candidate. This is what journalist Carlos Rodrigues reports from Brasilia:

[Begin report] Yes, the PT leadership has just decided during a meeting here in Congress that it will not participate in the Electoral College voting session. Nonetheless, this formal PT decision does not prevent Deputies Airton Soares, Jose Eudes, and Bete Mendes from turning up at the Electoral College and voting for opposition candidate Tancredo Neves. Deputy Airton Soares, former PT president, did not participate in today's meeting. [end report]

CACEX REPORTS 1984 TRADE BALANCE SURPLUS

PY102225 Rio de Janeiro O GLOBO in Portuguese 9 Jan 85 p 25

[Text] Brazil registered a historically high surplus in its 1984 balance of trade, a difference $13.1 billion in exports over imports. The suplus was announced yesterday by the director of the Foreign Trade Department of the Bank of Brazil (CACEX), Carlos Viacava, who only expected a surplus of $12 billion for 1984.

The earnings generated by sales abroad totaled $27 billion, against expenditures of $13.9 billion for imports. Increased exports in 1984 represented a gain of $5.1 billion in foreign exchange; that is, 23.32 percent more than in 1983. For 1985, CACEX forecasts exports worth $28 billion, against imports worth $16 billion.

Viacava credited the 1984 balance-of-trade surplus to the maintenance of "a realistic exchange rate" (devaluation of the cruzeiro to keep the price of Brazilian goods competitive on the international market), to the recovery of the U.S. economy, and to the large reduction in oil imports (a savings of $1.3 billion). Viacava said: "At the beginning of the year, the projected surplus was $9 billion, although CACEX did not expect it to reach $8.5 billion. We ended up with a surplus of $13 billion, thanks to the government's exchange policy, the U.S. economic recovery, the reduction in oil imports, and the efforts of Brazilian businessmen to move into foreign trade as an alternative, in many cases to escape the domestic recession."

For the most part, 1984 exports were represented by manufactured goods, with sales that reached $15.1 billion, an expansion of 33.93 percent over 1983. The lead among manufactured goods was held by processed orange juice, with $1.4 billion.

Among the basic products with total exports of $8.8 billion, green coffee beans took the lead with earnings of $2.5 billion, followed by soybeans with $1.4 billion and iron ore (hematite) with $1 billion.

According to Carlos Viacava, the reduced trade-balance surplus in 1985 will result from the country's economic recovery, which will demand more imports and which will open more possibilities for sales on the domestic market.

BOMB EXPLODES NEAR SHERATON HOTEL; NO INJURIES

PY101630 Sao Paulo Bandeirantes Network in Portuguese 1555 GMT 10 Jan 85

[Text] A new bomb attack has caused concern in Santiago, Chile. A bomb exploded near the luxurious Sheraton Hotel, causing serious property damages to the hotel and to neighboring buildings, but no victims have been reported. A few minutes before the bombing, Navy Ministers Admiral Jose Toribio Merino, a government junta member, had stated that he favors maintaining the state of siege.

Acting Minister Comments

PY101810 Santiago Domestic Service in Spanish 1630 GMT 10 Jan 85

[Excerpt] Acting Minister Secretary General of Government Colonel Carlos Krumm has emphatically stated that although the extremists are trying to continue with their actions, they will continue to be met by the government's strong determination to guarantee the safety of all the Chileans.

Col Krumm was commenting on the explosion of a gelatin bomb in the rear of the Sheraton Hotel in Santiago. He said criminal subversives had planted the powerful bomb inside a [word indistinct] and the blast shattered the windows on the hotel's first floor and those of adjacent private residences.

Col Krumm said that fortunately there were no victims and that police and security forces are investigating the incident. He also reported another minor attack against electrical facilities.

18 ARRESTED AT COURT OF JUSTICE BUILDING

PY110232 Santiago Radio Chilena in Spanish 2200 GMT 10 Jan 85

[Excerpts] Court injunctions have been presented to the Santiago Appellate Court in favor of 18 persons who were arrested in front of the Court of Justice. The arrests were made at the conclusion of a meeting that was held inside the court building by relative of arrested persons who have disappeared and other participants.

They had gone to the court to hand over to Supreme Court Chief Justice Rafael Retamal a letter in which they expressed their frustration over the disregard of their request for the appointment of a special judge to investigate 14 cases of persons who had been arrested and then disappeared between 1975 and 1976. Both the relatives and those accompanying them sat in the middle of the court's main corridor and displayed signs with pictures of the missing persons. The gendarmes immediately proceeded to disband the meeting and at the same time Carabineros entered the court building. At this point, a scuffle ensued and Hector Murillo Zamorano, 16, received a head injury.

Lawyer Jaime Alex then unsuccessfully tried to have the Supreme Court chief justice intervene to stop the incident. After remaining in the court building for 2 hours, the protestors began to leave the building through the Morande Street entrance, where 18 of them were arrested by Carabineros. Lawyer Jaime Alex was one of those arrested, as well as the following persons: Janet Samuls[illegible], Albina Salinas, Sabina Vargas, Marica Salinas, Roberto Portilla, Dere Godoy, Vilma Fuentes, Lilian Concha, Dora Carreno, Valentina Perez, Erica Hoenning, Catalina Avendano, Rubi Rivera, Monica Prichiri, construction worker leaders Sergio Troncoso and Jorge Landaeta, and Netherlander journalist (Vilsen Flau).

The director of the National Gendarmerie, Hernan Novoa, has confirmed that Gendarmerie personnel acted aggressively against the demonstrators, in compliance with instructions from the High Court of Justice. In making that statement, Novoa was referring to a resolution issued by a plenum of that court on 13 July 1984, in which all the court justices unanimously voted with Chief Justice Rafael Retamal. On that date, the following resolution was adopted: This court, having learned that meetings and demonstrations were held in the court that disrupted the proceedings taking place therein and in which signs with inappropriate slogans or with political significance were displayed, or in which speeches of a similar character were delivered, has resolved:

1. To forbid meetings and demonstrations of the type described above from taking place inside court premises, as well as the exhibition of signs and the giving of speeches.
2. To send to the Gendarmerie director a copy of this resolution for his compliance, and so that he can take the appropriate and necessary measures to prevent such actions as those described above.

The 18 persons who were arrested as they came out of the court building are being held at the disposal of the Interior Ministry in the Carabineros First Police District.

FOUR VECTOR INSTITUTE OFFICIALS RELEASED

PY091725 Santiago Domestic Service in Spanish 1630 GMT 9 Jan 85

[Text] Four officials from the Vector Institute of Socioeconomic Studies have been released. They were arrested by the National Intelligence Center and released a few hour ago. No charges were pressed against the persons involved who have been identified as: Ricardo Solari Saavedra, Marcelo Gaston Schiling, Maria Veronica Vallejos Barriga, and Homero Julio.

MILITARY COURT PAROLES METROPOLITAN LEADER

PY100206 Santiago Radio Chilena in Spanish 2300 GMT 9 Jan 85

[Text] A five-member military court has unanimously ruled to parole Eduardo Valencia, the president of the Coordinating Board of the Metropolitan Population [Coordinadora Metropolitana de Pobladores]. Valencia has been imprisoned since 1 November. He was arrested during a rally held at the general cemetary to pay homage to resident Juan Antonio Aguirre Ballesteros. The military court has thus overturned a ruling passed by the head of Santiago's military prosecutor's office, Francisco (Ballesti), who had twice refused to parole Valencia.

INTERIOR MINISTRY BANISHMENTS TOTAL 230

PY110148 Santiago Radio Chilena in Spanish 2200 GMT 10 Jan 85

[Text] More people have been sentenced to banishment, bringing to 230 the number of people banished to various parts of the country. This information was released by the National Social Communications Agency. The communique reads: The National Social Communications Agency has disclosed that through Decree 5115 of 4 January 1983 and 5118 of 7 January 1985, issued by the Interior Ministry, six persons have been sentenced to banishment in the following urban towns: Marileo Toledo Domingo del Carmen and Rosamel Villaman Reinao to Tierra Amarilla; Jose Santos Millao Palacios to Inca de Oro; Manuel Pilquil Tarupil to El Ualado; and Juan Carlos Gutierrez Navarros and Juan Jose Bravo Guzman to Pichasca, which is in the Fourth Region. These sentences bring to 230 the total of people sentenced to banishment throughout the country.

BETANCUR ISSUES SALARY INCREASE GUIDELINES

PA110028 Bogota Domestic Service in Spanish 1730 GMT 10 Jan 85

[Text] President Belisario Betancur issued a presidential decree last night in which he outlines the guidelines establishing the salary increases that the government will approve for all public officials. The text of this directive, sent to all ministers, heads of administrative departments, special administrative units, superintendents, directors, general managers, or presidents of public offices, state-owned industrial organizations, state-owned commercial organizations, mixed economy societies, governors, and mayors, reads as follows:

The healthiest salary policy is the one that guarantees to the workers that their salary will maintain its purchasing power despite inflation. Therefore, based on Law No 1 of 1984, the National Government will review the salaries for the public sector, regarding the basic allotments, travel expenses, retirement benefits, bonuses for services rendered, food expenses, subsidies for transportation, and entertainment allowances.

The exercise of these statutes leaves a narrow margin of action, determined by the well-known and difficult fiscal situation which prevails in the country, and which demands the efforts and sacrifice of everyone, to contribute in some way to controlling the inflationary process and maintaining the salaries' purchasing power for the family shopping basket.

Therefore, I do not think it is necessary to authorize any adjustments to the salaries for ministers, deputy ministers, directors and deputy directors of administrative departments, delegate directors of special administrative offices, superintendents and directors, managers or presidents and vice presidents of public organizations, state-owned industrial and commercial companies, and mixed economy societies, in addition to other high-ranking positions. I will decree a larger salary increase for public employees with lower incomes, starting with a 20-percent adjustment for the lowest salary scale. The workers unions' suggestions will be followed in this concern.

The general salary increase, as a whole, cannot exceed an average of 10 percent; this average will also be applied to traveling expenses for commissions inside the country. Regarding traveling expenses for trips abroad, the amounts must be reduced in the same proportion, 10 percent, when the daily expense exceeds the amount of $170.

I give you these guidelines so that you may become government spokesmen before the workers under your authority, explaining to them the need that they help to continue the struggle against inflation and to give their salaries real purchasing power and not the illusion of high salaries that have no purchasing power. These are the government's goals, within the limitations of the austerity deemed necessary by our fiscal crisis. Any action that is not carried out within the framework of this decree, will represent the violation of a top-level order, with all its legal implications.

These guidelines, which are also aimed at maintaining the workers' stability, based on the protection of the government's capacity to pay the workers' salaries, must also prevail in the talks or agreements that, according to the law, must be carried out and concluded as per requests presented by public workers unions, of written requests presented by official workers' labor unions.

The departmental and municipal sectors cannot avoid the fiscal crisis and need a solution to their problems. Therefore, the governors and mayors should become aware of the guidelines included herewith, so that they may abide by them within their respective jurisdictions in which they must exert their purviews.

Yours truly, [Signed] Belisario Betancur

DEFENSE MINISTER, OTHER OFFICIALS APPOINTED

PA110330 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 10 Jan 85

[Text] Bogota -- General Miguel Vega Uribe will be sworn in tomorrow by President Belisario Betancur, as the new defense minister, to replace the late General Gustavo Matamoros Acosta. The announcement was made last night at Narino Palace in a two-line communique.

Along with Vega Uribe's appointment to the Defense Ministry, the following changes in the military forces high command have been reported: General Rafael Obdulio Forero Moreno, commander of military forces; Major General Rafael Samudio Molina, Army commander in chief; General Augusto Ignacio Moreno Guerrero, Air Force Commander in chief; Vice Admiral Tito Garcia Motta, Navy commander in chief; Major General Manuel Jaime Guerrero Paz, Joint General Staff chief; General Luis Alberto Andrade Anaya, Colombia's representative to the Inter-American Defense Board, IADB, in Washington; Vice Admiral Manuel Fernando Avendano, Armed Forces inspector general; General Nelson Mejia Henao, Armed Forces prosecutor; Brigadier General Jorge Hernando Vega Torres, Defense Ministry secretary; Major General Oscar Botero Restrepo, Army inspector general; and Victor Delgado Mallarino, National Police director.

AUTHORITIES PROTECT SPANIARDS AFTER THREATS

PA100427 Paris AFP in Spanish 0112 GMT 10 Jan 85

[Excerpts] Bogota, 9 Jan (AFP) -- The Colombian authorities have taken special measures to protect Spaniards and Spanish interests in Colombia in view of the Spanish Government's decision on Wednesday to accept the extradition to the United States of Colombians Jose Luis Ochoa and Gilberto Rodriguez, who are being sought by U.S. authorities for drug trafficking. Spanish diplomats and journalists stationed in Bogota have recently received anonymous threats in this regard. A well-informed source indicated that Spanish Ambassador Manuel Garcia-Miranda and other members of his embassy left Bogota some days ago.

The police reinforced security near the embassy, the Spanish school, and the Spanish news agency, EFE.

To date, Washington has filed 74 requests for the extradition of Colombians sought for drug trafficking and the laundering of dollars.

U.S. diplomats in Bogota have also been threatened. The return to the United States at the end of December of Ambassador Lewis Tambs, who received death threats, was generally attributed to this situation.

DEATHS, INJURIES RESULT IN FIRST DAY OF STRIKE

Two Deaths Reported

PA100329 Madrid EFE in Spanish 2340 GMT 9 Jan 85

[Excerpts] Quito, 7 Jan (EFE) -- Two persons were killed, several have been wounded and beaten, and numerous others have been detained in the first day of the 48-hour general strike called for by workers and social sectors in Ecuador against the government's economic policy.

The strike did not affect production centers, but violent demonstrations occurred throughout city streets and were repressed by the police.

The two dead, identified by union leaders, are Jose Lagos, an old man who was asphyxiated by tear gas used by the police to disband demonstrators in Quito, and Jose Tacuri, a 27-year-old worker who died in Cuenca, an inter-Andean city, 460 km from Quito, when he hid in a steel electrical structure to escape the police.

Meanwhile, at the Central University, a posthumous tribute was being paid to the first street victim in demonstrations that began last week. The victim was Jose Murillo, a student who died Tuesday after he fell into a gully while being chased by the police.

Froilan Asanza, president of the Sole Workers Front, has deemed the strike a "success" and said that the country was "completely paralyzed" thanks to the people's support.

It has also been reported that President Leon Febres Cordero, who today completed 5 months in office, held a protracted meeting with his ministers to evaluate the effects of the strike, but no official information was released on the meeting.

Two Killed in Dynamite Blast

PA101452 Paris AFP in Spanish 1344 GMT 10 Jan 85

[Text] Quito, 10 Jan (AFP) -- Members of the Ecuadoran Army's Military Intelligence service yesterday found a dozen high-caliber weapons and a large quantity of ammunition in a residence in this city following a dynamite blast that killed two people.

Government (Interior) Minister Luis Robles reported the explosion himself last night during a press conference. The discovery of the subversive material was reported later by newspapers. According to the report, which was confirmed by AFP, the house were the dynamite blast occurred was probably occupied by a group of activists of the Ecuadoran Alfaro Lives, Dammit group because a sign reading "Alfaro, Montonero" was found in it.

Army troops found rifles, pistols, machine guns, ammunition, military and police uniforms, and other military supplies when they were trying to determine the cause of the explosion, which killed two occupants of the house. Eyewitnesses said another couple left the house seconds after the explosion.

In almost 2 years the Alfaro Lives, Dammit group has held up several banks and occupied news media to air revolutionary proclamations, but there is no record of its harming individuals. Unlike neighboring countries, Ecuador has no active guerrilla movements.

More Than 50 Injured

PA101413 Buenos Aires LATIN in Spanish 0658 GMT 10 Jan 85

[Excerpts] Quito, 10 Jan (REUTER) -- Government Minister Luis Robles announced last night that five persons had died during the first phase of a 48-hour general strike convoked by leftist labor unions to demand the repeal of economic austerity measures.

Robles told journalists that two of the victims died when a dynamite charge they were handling exploded.

Labor Minister Francisco Diaz has reported that more than 50 persons were injured and between 300 and 600 arrested during disturbances that broke out as workers marched through the main cities of Ecuador to demand the repeal of the measures that called for high fuel prices and bus fares.

Fuel shortages are already evident in Quito and other cities, according to reports. There are virtually no vehicles on the streets. Long lines of people moving on foot because of the absence of buses are evident everywhere. Bus owners have suspended their services because they fear attacks from the demonstrators, a spokesman for the owners has stated.

Government Official on Strike

PA101353 Quito Radio Quito in Spanish 2300 GMT 9 Jan 85

[Statement by Patricio Quevedo Teran, national secretary of public information; date and place not given -- recorded]

[Text] This is a so-called general strike. In many places we have noticed relative calm. It is also true that certain incidents have occurred, and these have been provoked precisely by those small but hotheaded groups of which I was speaking. On the other hand, the situation throughout the country depends on the geographic areas of Ecuador we are viewing. For example, I have a wire here regarding the situation in Guayaquil, the most heavily populated city of the country and an important economic center. The wire states that since early this morning usual activities have been carried out in normalcy and that the citizens have not taken notice of the strike called by the United Workers Front. A similar situation has been reported in (Culcan) and (Atacungla).

A few minutes ago I received a wire from Esmeraldas, and they report that public offices are operating, as are banks and commerce. Their only problem is transportation, and I believe that this is a situation being experienced in many areas of the country, because the drivers went before authorities to explain that they would not put their vehicles on the streets. They indicated this would not be in support of the strike but rather as a precautionary measure to avoid problems.

Regarding Quito, all government offices are open, and this can be seen in the fact that basic public services are available. I have noticed that in the industrial sector there is an appreciable interruption of work. It is important to keep in mind, however, that this is due to an agreement reached a few days ago among employers and employees to work two Saturdays, 12 and 19 January, in exchange for today and tomorrow.

All in all, there is not intense agitation, and there has only been partial success in the strike in response to various causes and factors I have already explained.

ATTORNEY GENERAL SAYS HUMAN RIGHTS NOT RESPECTED

PY101600 Lima Cadena Panamericana in Spanish 0200 GMT 10 Jan 85

[Text] Attorney General Alvaro Rey de Castro today said that there is not an overall respect for human rights in Peru because of the excesses committed by the military and police forces stationed in Ayacucho.

[Begin recording] [Reporter] Are human rights being violated in Peru or not?

[Rey de Castro] Well, I would say in general that human rights are not being respected in Peru. There have been some abuses and my office has investigated them [words indistinct] reports.

[Reporter] That means that human rights are in fact being violated.

[Rey de Castro] We believe they are being violated. We have reported the (Pucallalpo) case to the courts because we believe abuses were committed.

[Question indistinct]

[Rey de Castro] I beg your pardon?

[Reporter] The executive branch maintains that there are no human rights violations in Peru.

[Rey de Castro] I do not believe the executive branch is violating human rights. No, I do not think so because in fact the executive branch is very respectful of them.

[Reporter] Well then, who is responsible for these violations?

[Rey de Castro] Well, the forces of order have committed some abuses in the emergency zone. [end recording]

APRA, UNITED LEFT OPPOSE DRAFT EMERGENCY LAW

PY081425 Lima Radio del Pacifico in Spanish 1200 GMT 8 Jan 85

[Text] The American Revolutionary Popular Alliance [APRA] and United Left representatives in the Chamber of Deputies have expressed their opposition to the approval of the draft law which establishes certain guidelines for state of emergency areas, and through which the Armed Forces assume control of domestic affairs in a region or throughout the nation. The draft law, which has been amended and approved by the Senate, establishes guidelines for the enforcement and control of domestic order in coordination with the local public sector in emergency zones to counteract subversive actions.

Deputy (Xavier Diaz Cancico) and Deputy (Hilda Urizar), who were the spokesmen for the United Left and APRA, respectively, questioned most of the articles of the draft law, since according to them these articles violate human rights and legalize the establishment of the state of emergency in various areas.

AMBASSADOR TO ATTEND ORTEGA INAUGURATION

PY101500 Lima Radio de Pacifico in Spanish 1200 GMT 10 Jan 85

[Text] Engineer Jose Benavides Munoz will today carry out his first official duty since his departure from the Economy Ministry by representing the Peruvian president at the inauguration of Nicaraguan President-elect Commander Daniel Ortega Saavedra in Managua. To this effect, Benavides Munoz has been appointed as special ambassador for this mission.

BROAD FRONT TO MEET SANGUINETTI OVER ATTACKS

PY102037 Montevideo Radio El Espectador Network in Spanish 1600 GMT 10 Jan 85

[Excerpt] The Broad Front [FA] will voice its concern over the continuing attacks on its party offices to the newly elected government. This statement was made at noon today to Radio El Espectador and Cadena de Oro by FA Deputy-elect Francisco Rodriguez Camusso, who stated that a special committee designated by the FA coalition will meet with Dr Julio Maria Sanguinetti in the next few hours.

[Begin Rodriguez Camusso recording] The FA is extremely concerned over these attacks. And not only is the FA concerned, but we must state that political leaders from all parties and sectors share this concern and have said so. The FA has already filed a detailed complaint with the office of the Montevideo police chief. Furthermore, a memorandum supplying background information related to the attacks has been forwarded to the police. We now intend to meet with Dr Sanguinetti himself in his capacity as president-elect. It is our opinion that there must be a general campaign at all levels fully rejecting theattacks. In addition, an in-depth investigation leading to the full clarification of the attacks must be conducted. [end recording]

Tenth Attack Reported

PY111120 Madrid EFE in Spanish 0202 GMT 11 Jan 85

[Text] Montevideo, 10 Jan (EFE) -- The 10th incendiary attack in less than 1 month against a committee of the leftist coalition Broad Front took place today. Military officials today made sure that a thorough investigation is being carried out to arrest the people responsible for the attacks. The attacks have been carried out when the offices were ciosed and in most cases Molotov cocktails have been used, causing explosion and fire, but so far no casualties. The leaders of the Uruguayan leftist coalition have asked officials to carry out as soon as possible an investigation of these attacks which are seriously affecting the peace in the country. The commander of the Army, Lieutenant General Hugo Medina, today said in a press conference that the attacks have a negative impact on the country. Medina pointed out that these attacks are obstructing the path to democracy and that an investigation is being carried out to find the people responsible for them. In answer to a concrete question from a reporter, Medina said: I believe that members of the Armed Forces are not linked to the attacks. Just before the elections on 25 November 1984, some active duty and retired officers were put on trial after a wave of attacks on businesses that published advertisements in leftist publications.

EXILE NAMED DEAN OF ARCHITECTURE SCHOOL

PY101705 Madrid EFE in Spanish 0029 GMT 9 Jan 85

[Excerpt] Montevideo, 9 Jan (EFE) -- The Council of the Architecture Faculty of Uruguay today appointed Carlos Reverdito as new dean of the school. Reverdito, a former professor who had been fired by the military regime and forced into exile, cannot return to the country because the decree which ordered his expulsion 10 years ago is still in force. The Architecture Faculty was the first to appoint new authorities upon the termination of the intervention in the university which the military regime had decreed in October 1973. Reverdito was dean of the school when the intervention was ordered and went in exile to France. The dean-elect is an Italian-born naturalized citizen who studied and graduated in Uruguay. Shortly before Christmas, Reverdito attempted to return to Uruguay but the Immigration Office informed him that he would be detained if he returned because the decree which ordered his expulsion had not yet been repealed. Reverdito then went to Buenos Aires where he has been waiting for an authorization to return to the country.

RPC-TV AT JOINT U.S. EXERCISE COORDINATION SITE

PA101405 Panama City Circuito RPC Television in Spanish 2300 GMT 9 Jan 85

[Text] This morning top officers of the U.S. Armed Forces were coordinating the details for the joint Panamanian-U.S. exercises at Azuero Peninsula in the Cocoli area. Hundreds of U.S. troops who will participate in these joint military exercises are already in Cocoli, approximately 10 minutes from the capital. The area has been set up with a large infrastructure that includes hospitals, mess halls, dormitories, and space for military coordination tasks.

Early today the RPC-TV team entered the installations of the Cocoli Logistical Center, the name given to the area, and witnessed, exclusively, the details of the U.S. Army's operational plan. Despite the tight security around the Cocoli area, RCP-TV got authorization from top U.S. military commanders to cover, on the spot, the tasks under way there. Information obtained by RPC-TV, supplied by U.S. sources, indicates that the "Blazing Trails" [name given in English] or "Opening Paths" operation, formerly known as "Minuteman" [name given in English] will be carried out between January and May of this year and will involve the participation of approximately 10,000 troops who will engage in development and civic action tasks, including the construction of some 27 km of road between Punta Malena and Arena. The reason for the change of name in the exercises from "Minuteman," the name was previously announced, to "Blazing Trails" is not known. The "Blazing Trails" operation is completely independent from "Kindle Liberty" [name given in English], which is to begin on 4 February with the participation of 4,000 U.S. soldiers who will come from Puerto Rico, Missouri, Louisiana, and Alabama, in addition to approximately 400 Panamanian soldiers of the National Defense Forces. "Kindle Liberty," or "Freedom Torch," is aimed at carrying out combined anti-guerrilla practices with a 10-day air, sea, and ground operation using blank charges which will produce only explosions.

These exclusive scenes obtained by RPC-TV at the Cocoli Logistic Center's installations allow us to see, in their true dimension, the various tasks being carried out there.

Independent from the development and civic actions tasks to be carried out in Azuero, the joint military exercises will represent an economic boost for this poverty-stricken area with the hiring of labor, the leasing of land, and an increase in trade, tourism, and other areas, which include the construction of projects costing approximately 86 million balboas.

Students Protest Exercises

PA100405 Panama City LA PRENSA in Spanish 9 Jan 85 p 1 A

[Report by Lisette Carrasco]

[Excerpt] On the second day of protests, students from various schools in Panama City took to the streets to demonstrate their opposition to the joint military exercises between the U.S. Army and the Defense Forces of Panama [FDP]. Various sectors of the population joined the citizens' protest against the military operation. Nevertheless, the operation began this morning in the Azuero region, coinciding with the heroic deeds of 9 January when 21 Panamanians lost their lives in an act to reaffirm sovereignty. Yesterday, the students demonstrated in front of the U.S. Embassy, which was guarded by FDP riot units. The students stayed there some minutes chanting antimilitary slogans. The students, who were carrying a Panamanian flag, then went to Amador Cemetery where student hero Ascanio Arosemena, first victim of the bloody 9 January events, is buried. They paid tribute to him and ended the second day of protest against the military exercises.

During their march, the demonstrators chanted such slogans as "For the 9 January heroes, Against Yankee Imperialism" and "Down With the Repressive Defense Forces" while hundreds of Panamanians expressed their support from sidewalks and balconies. Student Andres Gutierrez of the Revolutionary Student Front (FER-29) told LA PRENSA that they "had taken to the streets" to express "repudiation" of "Yankee" imperialism and the FDP which today in the Azuero region began some joint exercises which will last for several months.

In a statement to LA PRENSA, Christian Democratic Party President Ricardo Arias Calderon said that "the current joint operations are a provocation against our people's democratic nationalism" and that "holding them at this time is disrespectful of the memory of the 9 January martyrs." He advised "the Defense Forces that the best way to carry out their role regarding the security of our country is to gain the respect of the people as a professional organization that does not intervene in politics and that conforms to a public and controlled budget." He advised the United States that "the best way to safeguard its legitimate interests in our region is to cooperate with democratization and not to throw in its lot with those who oppose it." The Christian Democratic Party also reaffirmed its commitment to struggle for a truly nationalist democracy.

In a communique issued yesterday, the Revolutionary Party of the Workers warned that "In addition to this somber panorama, one must add the Panamanian Government's foreign policy, which is increasingly identified with the most reactionary international sectors." The communique added: "In all this sordid scheming, the FDP staff has used puppets, who have blithely justified what is unjustifiable and who have even tried to capitalize on the unsatisfied needs of the peasants of Azuero to support an activity that denies everything that the history of the patriotic struggles has expressed." For its part, the People's Revolutionary Youth described the military exercises as a "policy of aggression against the peoples who struggle for national liberation."

URUGUAY'S SEREGNI VIEWS AREA PROBLEMS

PA091536 Panama City Televisora Nacional in Spanish 0000 GMT 9 Jan 85

[Text] General Liber Seregni, president of Uruguay's Broad Front, met with leaders of the Democratic Revolutionary Party this morning. He extolled General Omar Torrijos' actions and thanked the Panamanian people and their leaders for their solidarity with the Uruguayan struggle. He said that his country is in a phase of reaffirmation of democracy, which depends largely on the actions of Uruguay's three strongest political parties.

With regard to Central America, the Uruguayan leader expressed his solidarity with the Nicaraguan people's desire for freedom, stressing the importance of the elections and the installation of a new government in that country. He said that Latin America should not accept the norms of the IMF because they demand that debts be paid at the expense of development. Seregni called for Latin American unity to confront this problem. In the course of the meeting, Captain Geronimo Cardozo, who is traveling with Seregni, said that the second Latin American defense forum, which will assemble military leaders of the area, is scheduled for July.

Meanwhile, Liber Seregni stated that he has confidence in the peace efforts of the Contadora Group.

[Begin recording] There is a move toward democracy throughout the hemisphere. The most conflictive area is Central America, but I am confident that the Contadora Group, which is meeting right now, will be able to definitively resolve the tense situation that the sister nation of Nicaragua and the rest of the area are experiencing. [end recording]

BELIZE

ESQUIVEL READS REAGAN LETTER; VIEWS DEVALUATION

FL101704 Belize City Domestic Service in English 1300 GMT 10 Jan 85

[Text] Prime Minister Manuel Esquivel yesterday held a press conference at Radio Belize. Prime Minister Esquivel was accompanied by Minister of Foreign Affairs and Economic Development Mr Dean Barrow, the minister of tourism, transport, education, news, and culture, Mr Derek Aimkan, and the attorney general and minister of housing, Mr Hubert Elrington. In a brief statement, Prime Minister Esquivel informed those present that similar press conferences would be held in the future as part of the government's policy.

The prime minister read a letter sent to him by U.S. President Ronald Reagan congratulating him in the December parliamentary elections. The letter reads: I want to extend to you my warmest congratulations for your victory in the general elections of December 14. Our two countries share many common values including a strong respect for peace and democracy. The December general elections again underscore Belize's commitment to the process of democracy and pluralism. The U.S. and Belize have traditionally enjoyed strong positive ties. I noted your recent public statements expressing your hopes for good relations between our countries. I share that view and I am confident [words indistinct] which has been a hallmark of our relations. On behalf of the people and Government of the United States, my best wishes to you and your fellow countrymen as you assume the task ahead.

In answering questions posed by the press, Prime Minister Esquivel said that at this time there is no suggestion of the devaluation of our currency. Before [words indistinct] later on this month, [word indistinct] from the IMF will be visiting Belize.

Prime Minister Esquivel also informed the press that the minister of foreign affairs and economic development, Mr Dean Barrow, will travel to Washington and London later this month. In Washington he will be attending a conference of Western legislators, and in London he will be meeting with officials to review the formula under which the British troops are stationed here. Mr Eduardo Juan, minister of commerce and industry, will be attending the Common Market Council of Ministers to be held in Georgetown, Guyana, and visits are being arranged for the minister of Tourism, Mr Derek Aikman, to travel to the southern United States to discuss proposed tourism and investments in Belize.

COSTA RICA

BORDER GUARD REINFORCED, ORDERED TO FIRE

PA101332 San Jose Radio Reloj in Spanish 1205 GMT 10 Jan 85

[Text] The Costa Rican Security Council has ratified to the authorities at border posts its order to fire at planes, vessels, or people entering Costa Rican territory. The various border posts have been reinforced, and personnel have been equipped with modern weapons and gear to repel any incursion by armed persons.

The order was issued after it was confirmed that two patrol boats and an aircraft conducted operations to land a group of approximately 15 people at Laguna de Aguadulce, a lake near Punta Castilla, where 12 Sandinist soldiers and a reporter were arrested 2 years ago.

Border Situation 'Normal'

PA101510 San Jose Radio Reloj in Spanish 0100 GMT 10 Jan 85

[Text] Costa Rican Public Security Minister Benjamin Piza has reported that the situation on the Atlantic coast border with Nicaragua is normal. A report submitted to him by Colonel Oscar Vidal, chief of the Costa Rican Civil Guard, indicated that there is no evidence of intruders or alien objects in the area. However, the footprints of approximately 20 persons were found, the minister said. The area of Laguna de Aguadulce, approximately 7 km south of the Costa Rican-Nicaraguan border, has been reinforced with a detachment of civil guardsmen, while the Rural Guard units who were posted there have returned to their usual positions. The public security minister believes that the people who violated Costa Rican territory last night were Sandinists, because they were wearing fatigues and traveled in very heavily armed boats.

As we reporced throughout the day, last night three boats and an aircraft made an incursion into Costa Rican territory. After our authorities opened fire, the aircraft withdrew from the scene and a group of seven or eight persons disembarked from the boats, the initial official report indicates. It states that an exchange of fire ensued, in which the Aguadulce garrison troops used grenade launchers and fired their rifles.

Meanwhile, Johnny Campos, deputy public security minster, has said that Costa Rica is prepared and has the necessary equipment to confront any problem and guarantee national dignity. Minister Piza stated that attempts are under way to update the current arsenal. Although this will be modern equipment, it will be strictly regulation armament such as rifles and 30-mm machine guns. These arms will be obtained through existing agreements with and donations from friendly nations such as the United States, Israel, and Germany.

DIPLOMATIC RELATIONS ESTABLISHED WITH INDONESIA

PA101400 San Jose Radio Reloj in Spanish 1200 GMT 10 Jan 85

[Text] The Costa Rican and Indonesian Governments have agreed to establish diplomatic relations at the level of ambassador, according to an agreement that the ambassadors of the two countries signed yesterday at the United Nations. Indonesia's ambassador to Mexico will be accredited before the Costa Rican Government, while Costa Rica's ambassador to Japan will represent this country before the Indonesian Government. The move seeks to strengthen the friendly relations that exist between the two peoples and governments and promote and increase mutual cooperation in political, economic, social, and cultural matters according to the principles of international cooperation.

EL SALVADOR

UNIDENTIFIED MEN KILL PCN MAYOR OF SANTA ELENA

PA100301 San Salvador LA PRENSA GRAFICA in Spanish 9 Jan 85 pp 2, 13

[Text] At approximately 1030 yesterday, three unidentified men shot 66-year-old Jose Domingo Aviles Vargas, mayor of Santa Elena, Usulutan, to death. According to the reports, Jose Domingo Aviles Vargas was the mayor of the town and a member of the National Conciliation Party, PCN. He was also a candidate for this office in the elections for mayors and deputies to be held in March. The sources said that three men entered the municipal building and evicted all employees on the premises at gunpoint. The mayor was left alone and was shot to death; the killers later fled toward the northern sector of the town.

Judge Natividad Mendez later identified the body, which had six gunshot wounds, two in the back, two in the face, one on the left nipple, and one on the left side of the rib cage. It was revealed that the victim had been mayor since 5 November 1982 and lived at Second South Avenue, #18, Santa Elena. The authorities have begun an investigation into the crime.

FPL FRONT REPORTEDLY EXECUTES 'TORTURER'

PA100253 San Salvador EL MUNDO in Spanish 8 Jan 85 p 2

[Text] The Clara Elizabeth Ramirez Front of the People's Liberation Forces [FPL] called our editorial room to claim responsibility for the "the execution" of Manuel de Jesus Flores Mateo in the Malaga neighborhood of San Salvador, last Saturday at 1310.

The anonymous caller, who identified himself as a member of the FPL organization, said that the action "was carried out by a squad of the Clara Elizabeth Ramirez Front against Flores Mateo, who is known in police circles as Indio Mateo, the torturer," and who tortured courageous Salvadorans for 30 years.

The rebel report says that Indio Mateo's victims include Salvador Cayetano Carpio, Dimas Alas, founder of the FPL, and the well-known labor leader Roberto Cibrian, plus hundreds of other Salvadorans." [quotation marks as received]

The source said that Flores Mateo was executed in the Malaga neighborhood, where he was trying to disguise his activities by working in a pawn shop. However, he regularly reported to the National Police to continue with his deadly job.

GUATEMALA

MEJIA VICTORES ON FOREIGN POLICY, ECONOMY IN 1984

PA100336 Guatemala City Domestic Service in Spanish 0300 GMT 9 Jan 85

[Head of State General Oscar Humberto Mejia Victores' New Year's message to the people, date and place not given -- live or recorded]

[Excerpts] Fellow citizens: At the beginning of a new year and as head of state, it is with great pleasure that I take advantage of this opportunity to address the people of Guatemala. At this historical moment of deep and positive political changes in our country, which is at the same time experiencing serious economic and social problems that affect us in various ways, I feel that it is necessary to briefly review the government activities of the past year and the plans for 1985.

In an attempt to correct the negative image of Guatemala portrayed in the past few years and to put an end to an absurd situation of isolation, my government has placed special emphasis on foreign policy which is, no more and no less, an extension of the domestic policy.

Guatemala has recovered the position it deserves internationally and if today we are respected and our effort is being recognized, it is because we Guatemalans are truly changing. We are doing this voluntarily in an attempt to overcome the mistakes of the past.

Guatemala is aware that, geographically, it is located within a region in conflict where domestic factors seriously affect the situation, which is worsened by the tensions of an East-West confrontation. However, we once again reiterate that we strongly believe in dialogue and negotiation as a means of finding political solutions to the Central American crisis. Therefore, we reaffirm our faith and trust in the Contadora process within which we will maintain our constructive attitude.

It is our duty to protect the interests of the country and so we will protect our independent viewpoints. We believe in representative democracy and political pluralism. We are also strong defenders of freedom and of man's basic rights. Guatemala is in solidarity with the aspirations and objectives of the sister Latin American countries and, therefore, we support the international mechanisms and initiatives that will allow the achievement of the common goals of peace, democracy, and development.

The seriousness, firmness, and independence with which the Supreme Electoral Tribunal and the judicial branch operate vis-a-vis the executive branch are worthy of recognition. There is an illustrating dialogue and constructive cooperation between them. I share the Guatemalans' hope that the constitution and constitutional laws will be enacted early this year. This will enable us to summon a general election so, as in the elections of 1 July 1984 and hopefully with even greater participation, the people will be able to freely vote for the authorities who will lead the destiny of our country.

I am a firm believer in a political dialogue and pluralistic participation. This is why all Guatemalans, without exception, must be able to participate in the task of building and strengthening our country. The broad, permanent, and generous amnesty has brought about national conciliation. This allows us to believe that the upcoming electoral campaign will be characterized by open and sincere statements, as well as by mutual respect among the participating political forces that will allow a great national dialogue on plans and candidates.

The studies done on production in 1984 show that the drops recorded in 1982 and 1983 were arrested in 1984 because the level of the national production of goods and services as expressed in the terms of domestic gross proceeds and prices remained the same as in the past year. This shows that in 1984 we did not experience a negative balance.

In 1984 we were able to somewhat halt the decline in economic activity because the goods producing sectors that weigh heavily on our economy, such as agricultural and industry, have experienced a noticeable improvement. It is believed that the policy aimed at achieving sufficiency in food and basic products, the tax reductions aimed at supporting exports, and the financial efforts carried out within the limitations imposed by the situation have played an important role in this noticeable improvement. This policy has ensured the materials needed in the areas of agriculture and industry.

This has also allowed private consumption, which had dropped in 1983, to record a growth rate of at least 1 percent. This has permitted a growth in our international trade, and our sales increased by 5.6 percent and our purchases (?increased) by 7.4 percent. These figures show that there has been success in controlling the recession that our economy experienced as a result of a series of foreign factors and problems we inherited from past administrations.

From another viewpoint, the halt in the decline in economic activity and the increase in the export activity has been possible because the necessary imported goods and materials were received.

Logically, in order to achieve this, it was necessary to request credits from abroad and for the Central Bank to assume, of the accumulated amount that is nearing $500 million, the exchange risk associated with the private sector's foreign debt.

Since 31 July 1983, the country's public foreign debt has increased by $870 million. Of this increase, 57 percent represents the allowances to the private foreign debt the state has granted through the Bank of Guatemala. This has released the private sector from facing the exchange risk associated with this debt and recognizes that imported goods are essential. This demonstrates that the bureaucracy is not the main culprit in the increase of the foreign debt in this current government.

However, I am not saying that our difficult situation is over. What I am trying to say is that within the economic seriousness of these times there is the positive sign that the decreasing trend of the economic activity has been arrested. This should represent an incentive for us to increase our efforts and share the social costs that must be covered to remain stable and begin our recovery.

We Guatemalans must place ourselves within a positive framework of understanding, each giving what he must give with faith and hope in this struggle. My government, in its daily effort to achieve economic recovery, hopes and waits for the help and support of the private sector so that the measures adopted, and those to be adopted, will be enforced in a proper and coordinated manner and so that in 1985 we may correct our foreign deficit and advance toward an economic reactivation and recovery in an even more positive and encouraging manner. Guatemala's true development and advancement will take place when we invest our time and efforts in producing to compete in foreign markets.

The government and the Army, with the credibility they have earned not through decrees but through their behavior and actions, have brought to the most far away places social programs that allow the people to somewhat improve their standards of living. Likewise, the inter-institutional coordinating groups that operate on the level of villages, municipalities, departments, and the country in general have given forth the real fruit of joint work between people and government to satisfy the needs that, in one way or another, have ensured emotional stability and promote the spirit and effort aimed at the local and regional economic production. This has been achieved thanks to the efforts of the Army, which has also developed a new type of administrative plan.

Fellow citizens, we must define our political future this year. I urge each and every one of you to calmly and responsibily think about the future of the homeland so that, as a result of this objective analysis, we may all participate and act in economic, political, and social matters.

With trust in the Guatemalan Army and with faith in the goodwill of Guatemalans, I raise a prayer to God, our Father, to enlighten us and to allow us to achieve the highest goals for the good of everyone during this new year of 1985. Thank you.

BODIES OF TWO FARM ADMINISTRATORS FOUND

PA101805 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 10 Jan 85

[Text] A violent double murder has been committed in Suchitepequez Department. The bodies of two men were dropped onto the soccer field of Mazatenango's Carlos Salazar Stadium.

They were both riddled with gunshot wounds and one showed signs of terrible torture, the genitals having been completely torn off. Early this morning a helicopter was heard flying over the stadium, and a few minutes later the two bullet-riddled bodies, showing signs of torture, were found on the field.

The two victims were identified as Luis Armando Perez, 42, and Neftali Morales de la Cruz, 35. Perez was a resident of Calzada Independencia, in Mazatenango, and was the administrator of the Monte de Oro Farm in Solola Department. Morales de la Cruz was a resident of Centro 2 neighborhood, in Retalhuleu, and was the administrator of the Monte Quina Farm in Xicacao jurisdiction. Morales de la Cruz' body bore approximately 20 bullet wounds in the abdomen, head, and other parts of his body, and knife wounds as well. Perez' body also had many bullet wounds in the head, and his genitals were torn off. The bodies were taken to Mazatenango National Hospital. Authorities are investigating the nature of and those responsible for the crime. Mazatenango's volunteer firefighters assisted in the recovery of the bodies.

HONDURAS

PAZ BARNICA ON FAGOTH EXPULSION, U.S. BASES

PA110011 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 10 Jan 85

[Passages within quotation marks recorded]

[Text] Discussing Steadman Fagoth's recent deportation, Honduran Foreign Secretary Edgardo Paz Barnica said that Honduras' policy has changed because there are no more military men to support the counterrevolutionaries.

"If some irregularities occurred in the past, neither President Suazo Cordova nor the foreign secretary is to be held responsible for them because the president, in accordance with the Constitution, and the foreign secretary, in accordance with the president's decisions, are the persons in charge of handling the country's foreign policy. This was not the case with General Alvarez Martinez, who expressed his own views and conducted his own foreign policy with a cabinet of sorts under the shelter of a dark cover and an organization called Alliance for Progress. This is the truth. It is also true that Honduras has made substantial contributions to peace in Central America."

Asked about likely friction with the United States because of Fagoth's expulsion, Paz Barnica said:

"No, not at all. Why should friction occur because of this? Once a sovereign nation... [rephrases] Just imagine, the United States could decide to expel the thousands of undocumented Mexicans who cause social and other types of problems [words indistinct]. All who trespass against the law must be punished, just as Honduran violators are to be punished. This is quite a contrast to former times when there were unscrupulous officials here who protected foreigners who committed crimes."

In addition, Paz Barnica said U.S. military bases are out of the question.

"According to the consensus reached at the Security Council's first meeting this year, there is no place in the bilateral negotiations with the United States for the presence of permanent foreign military bases, as expressed by the Honduran Government and Armed Forces. By this we are referring to the Honduran military center that is under the jurisdiction of the Honduran Armed Forces with U.S. financial assistance."

Finally, discussing domestic politics, Paz Barnica defended President Suazo by saying that the president has never considered continuismo.

COMMISSION MEMBER DISCUSSES RELOCATION OF CREM

PA102222 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 10 Jan 85

[Interview with Gustavo Adolfo Alfaro, member of the Honduran commission negotiating relocation of the Regional Military Training Center, by unidentified reporter; date and place not given -- recorded]

[Text] U.S. and Honduran commissions are negotiating the relocation of the Regional Military Training Center, CREM, currently located in Puerto Castilla. However, it will definitely be moved to another area. Voz de Honduras questioned Gustavo Alfaro, member of the Honduran commission:

[Reporter] Have any areas been chosen yet?

[Alfaro] Well, we have analyzed several options; we are considering certain areas. Unfortunately, they are occupied by cooperatives holding land titles granted by the National Agrarian Institute since 1979. This creates other problems.

[Reporter] Is the Honduran Government obligated to compensate Temistocles Ramirez? [American citizen contesting ownership of the land]

[Alfaro] Well, the Honduran Government is somewhat obligated to pay for the improvements made on the land involved, because there is no doubt that he invested in the property, although is was illegally owned. The government has decided on this because he occupied that land for more than 20 years. Previous governments let him build and make improvements on that land. This implies some shared responsibility.

[Reporter] How much could those improvements amount to?

[Alfaro] There is some difference as to how much. The Honduran Government made an estimate, but Ramirez claims a different value.

[Reporter] Why is the CREM being relocated?

[Alfaro] Well, this involves a strictly political problem: A U.S. citizen presented his problem to the U.S. Congress. This has some implications for the treaties, particularly the 1928 friendship treaty between the Honduran and U.S. Governments. Honduras and the United States signed agreements by which any property owned by American citizens or any business controlled by a majority of American citizens must receive a just compensation should an expropriation take place.

[Reporter] Is it true that Temistocles Ramirez de Arellano is demanding 17 million lempiras?

[Alfaro] I do not know about that.

[Reporter] What is the risk run by Honduras should it not compensate Temistocles Ramirez?

[Alfaro] The United States has its own laws on this. They were issued in response to the installation of Fidel Castro's government in Cuba. The revolutionary government there not only expropriated, but also stripped American citizens of their properties. At the time, the U.S. Government passed a law stating that those governments failing to pay appropriate compensation to American citizens or businesses controlled by American citizens would face various punishments, including the suspension of aid.

This punishment was applied to the Cuban Government, later to the government of Salvador Allende in Chile, and more recently to the government of Velasco Alvarado in Peru. We hope that that does not happen to us.

[Reporter] Will there be another legal framework should the CREM be relocated?

[Alfaro] That will have to be established because it is part of bilateral negotiations between the U.S. and Honduran Governments.

[Reporter] Has the possibility of relocating the School of the Americas, which formerly operated in Panama, to Honduras been ruled out?

[Alfaro] That issue is really in the hands of another commission appointed by the Security Council.

[Reporter] Does that mean that there is a possibility?

[Alfaro] I know nothing about that.

NICARAGUA

DANIEL ORTEGA INAUGURATED AS PRESIDENT

Havana TV Carries Ceremony

FL110220 [Editorial Report] Havana Television Service in Spanish at 2233 GMT on 10 January begins live color coverage from the Carlos Fonseca Revolution Square in Managua of the inauguration of Daniel Ortega as president of Nicaragua.

As coverage begins, the opening shot is of the Commander Carlos Fonseca Plaza of the Revolution. There is a wooden stage on which there is a speakers platform in the center and two sections of seats on either side of the platform. In the section on the right are Sandinist officials dressed in military fatigues and on the left are foreign guests who are being introduced by an unidentified announcer over a public address system. Cuban President Fidel Castro is prominent among the foreign guests and is seated nearest the speakers platform. As other guests' names are called, the camera pans the crowd, the National Palace behind the platform, and a church adjacent to the square.

At 2240 GMT Espicopal Conference President Msgr Pablo Antonio Vega Mantilla delivers an invocation as the camera pans the stage.

At 2258 GMT, Carlos Nunez Tellez, president of the National Assembly, administers the oath of office to Ortega, who is dressed in olive-green military fatigues. Immediately afterward, a 21-gun salute is fired and Nunez drapes the blue and white sash of office over Ortega's right shoulder and across his chest.

Ortega stands with his clenched right fist held over his head and acknowledges the applause and cheers of the crowd. The camera pans the crowd, which is imitating Ortega's gesture.

Flanked by two men in military uniforms, identified by the announcer as Hugo Torres and Omar Cabezas, and following an unidentified soldier bearing a Nicaraguan flag, Ortega walks to a tomb adjacent to the speakers platform. The tomb is identified by the announcer as that of Sandinist revolutionary hero Carlos Fonseca and is topped by a gas flame. Ortega places his hands on the staff of the flag and stands at attention in front of the tomb. He then walks to a monument, identified by the announcer as that of General Santos Lopez, and stands at attention.

Ortega then returns to the speakers platform. He embraces Interior Minister Tomas Borge and other Nicaraguan officials as the crowd applauds. He then embraces Sergio Ramirez, who is sworn in as vice president at 2303 GMT. Ortega signs the inauguration book as does Ramirez, Nunez, and other officials.

Standing behind a table, Ortega begins speaking into five microphones at 2306 GMT. After the speech ends at 2353 GMT, the camera pans the crowd again and then shows a picture of the flame atop Carlos Fonseca's tomb. A choir, not pictured, begins singing a patriotic song as the camera shows Ortega. The camera then shows Castro shaking hands with Msgr Vega Mantilla and then cuts to long shot of crowd leaving. Coverage ends at 2356 GMT.

Ortega Inaugural Address

PA110155 Managua Domestic Service in Spanish 2306 GMT 10 Jan 85

[Inaugural address by Commander of the Revolution President Daniel Ortega Saavedra at the Commander Carlos Fonseca Plaza of the Revolution in Managua -- live]

[Text] Seven years ago, in January 1978, Sandino's heroic people were waging insurrection in the streets of Managua. Just 3 months before, in October 1977, the FSLN of Bocay, Pancasan, Zinica, and of the 27 December 1974 actions had extended the people's war to the dens of the assassins in Masaya and San Carlos of Nueva Segovia in an uninterrupted offensive that would forever bury the Somozist tyranny 1 year and 9 months later on 19 July 1979.

Seven years ago today, Pedro Joaquin Chamorro Cardenal, journalist and persistent anti-Somozist fighter, was assassinated in the ruins of the city destroyed by the 1972 earthquake. In this way, the Somozist dictatorship was trying to frighten the Nicaraguan patriots, businessmen, intellectuals, and clergymen who were responding to the call for unity against the Somozist domination issued by the FSLN through the Group of 12.

Two weeks before he was killed, in mid-December 1977, Pedro Joaquin sent to Sergio Ramirez, a member of the Group of 12, his recently published book, "El Enigma de las Alemanas," with the following dedication: To Sergio Ramirez, the probable No 3, with an embrace from Pedro Joaquin Chamorro.

On 27 December 1977, through Companero Edmundo Jarquin, a meeting had been arranged in Mexico between Pedro Joaquin Chamorro and the Group of 12. The date set for the meeting was in the middle of January 1978. Pedro Joaquin was unable to attend the meeting. On 10 January, he was assassinated by Somoza and his henchmen.

However, Pedro Joaquin was already No 13 of the Group of 12. He had the strength and honesty that would be lacking in some who, swayed by cowardice and dollars, would not hesitate to give a Judas kiss to the hopes of the Nicaraguan people.

Today, 10 January 1985, we take office as president of the Republic of Nicaragua. I say we because the president is the people who, in voting for their candidate of the FSLN, were voting for their own interests. We take office as the companero president of all Nicaraguans without distinguishing among political colors but with distinguishing among patriotic colors. Those who respect and truly love the blue and white flag that Sandino defended with the red and black flag are Nicaraguans.

Pedro Joaquin is a symbol of that patriotic spirit that always placed the interests of the fatherland above the interests of treason, pacts, and surrender to the foreign power just as has been done by his brother in the struggle and in sorrow, Dr Rafael Cordova Rivas, who has been and is our brother. [applause]

The fatherland's interest must prevail over political interests and must guide the real spirit of national unity. We are the heirs of Sandino's historic program that first of all defended Nicaragua's sovereignty and self-determination; the recovery of its natural resources for its people; the end of the financial dependence; the distribution of land to the peasants; the development of education, filling the country with schools and giving workers at least an elementary school education; the establishment of labor legislation; the emancipation of women; the protection of children; the development of the Atlantic coast; the formation of a new political force with a social content; the organization of a patriotic army; and the guarantee of administrative honesty. Sandino fought and died for that program.

That is the same program that Carlos Fonseca rescued when he founded the FSLN. It is the same one that we have implemented since 19 July 1979. Despite the foreign aggression we have faced since January 1981, the dreams of Sandino and Carlos live in the people's energy and their transforming and creative enthusiasm.

We are a soverign, independent, and nonaligned nation. We have recovered our natural resources. We have distributed 2 million manzanas of land to the peasants. Instead of the 133 unions that existed in the past, there are currently 1,103 unions. Instead of the 22 agricultural cooperatives that existed before 1979, there are currently more than 3,000 cooperatives. More than 40 percent of the rural producers are organized in the National Union of Farmers and Cattlemen. Youth, women, children, disabled, intellectuals, artists, journalists, professionals, technicians, craftsmen, and small- and medium-sized industry are also organized in their respective unions and organizations.

Today, the dreams of Sandino and Carlos have come true through the literacy campaigns, the adult education program, and the increased number of education centers where more than 1 million Nicaraguans are studying. We also have subsidized 217 educational centers, most of which are private and religious. Today the dreams of Sandino and Carlos have become realities for the people. Our intensive health programs have decreased infant mortality rates from 121 for every 1,000 newborns in 1979 to 75.2 in 1984. Life expectancy has risen from 52.9 years in 1979 to 59.8 years in 1985. The implementation of the revolutionary program has meant support for a mixed economy in the best interest of the great majority. There is a better and increasingly just distribution of wealth, 60 percent of which belongs to the private sector and 40 percent to the state sector.

The private sector participates in 75 percent of the country's primary activities, 60 percent of its secondary activities, and 50 percent of its tertiary activities. Meanwhile, there are 56 firms in our country operating with foreign capital from Central America, the Netherlands, the United States, Japan, Panama, and the United Kingdom, among other countries. We have initiated six great co-investment projects in three countries. The implementation of the revolutionary program has also respected political pluralism, human rights, and freedom of press. Political pluralism is already juridically institutionalized through the law of political parties, the Supreme Electoral Council, and the political parties assembly. The right to pluralism was exercised by the people in the 4 November 1984 elections, in which seven political parties of the most varied ideologies participated for the first time in Nicaraguan history.

Human rights are a special concern of the revolution, and among other things, we have established a regime to rescue our society internally. We have made advances in modernizing the judicial system.

More than seven pardons have been granted and an amnesty has been extended so that those citizens who have been involved in counterrevolutionary activities can return to our society. More than 1,500 Nicaraguans have accepted this amnesty.

Freedom of the press has been achieved in Nicaragua and the workers now have access to the media, which in the past was monopolized by the conservative oligarchy. This has not eliminated the traditional media, but it has broadened the participation of all sectors in the media.

The dreams of Sandino and Carlos have also come true with the efforts made on the Atlantic coast, where the revolution constructed the first highway that links the Atlantic with the Pacific, bringing improved infrastructure and social services to the inhabitants of this region while maintaining respect for their customs and culture.

In contrast to the realization of these dreams, there have also been nightmares. These are the same ghosts and the same horrors that have attacked Nicaragua since the last century in the form of regimes that oppressed the people, regimes bought by foreign powers. The aggression has come from the same country that sent Walker's filibusters to stain Nicaragua with blood in 1855, the same country that sent the Marines in 1912, who stayed until Somoza was enthroned in 1934 after assassinating Zeledon and Sandino. The nightmares continue to be sent to Nicaragua by the U.S. leaders who in more than a century of domination, during which they caused more than 100,000 victims with their neocolonialist policies, were incapable of bringing democracy to Nicaragua.

From December 1972, when the earthquake shook Managua, until the end of 1984, as an effect of the war of liberation, of the invasions, of the current U.S. war of aggression, and of the earthquake itself, our country has suffered in these 12 years the irreplaceable loss of 68,847 persons and now has a population that barely surpasses 3 million inhabitants. During the same period and for the same reasons, we have suffered losses in the amount of $3.9599 billion with an economy that during those years barely collected an average of $400 million yearly. More than $100 million have been given by the U.S. Government to subsidize terrorist activities directed by the CIA. The war of aggression, in an attempt to annihilate the just aspirations of our people, has caused in 4 years a total of 7,698 victims, of which 2,767 were murdered, including 132 children under 12 years of age, 48 women, 705 peasants, and 153 technicians and professionals. Of the total victims, 3,213 have been poor men and women under 21.

The U.S. people's money has been invested to cause more than $1 billion in material damage to the Nicaraguan people's economy. The mercenaries have destroyed production centers, schools, health centers, bridges, fishing boats, fuel dumps, machinery, and construction equipment. It is a truly dramatic situation imposed on the Nicaraguan people by the war that the U.S. leaders are promoting militarily, politically, and economically. Those leaders are today determined to demand greater funds from the U.S. people to continue the orgy of bloodshed in Nicaragua.

The international economic crisis, in its trade and financial aspects, further worsens the Nicaraguan economy. It has been the working people's heroic effort, together with the international cooperation received from various countries of the world, that has allowed us to survive. This international cooperation is appreciated by the Nicaraguan people and the support from these countries was demonstrated here today with the presence of dozens of delegations that have already been mentioned. To these, I would like to add the presence of Joao Clemente Baena Soares, OAS secretary general, and Enrique Iglesias, ECLA secretary general. [applause]

This picture we have tried to summarize demonstrates the tenacity of the Nicaraguan people to advance in the areas of justice and freedom while, on the other hand, we face the threats of the North American military policy which is trying to destroy the fair aspirations of our people. We are subjected to the sudden attacks of a policy of force that has irrationally endangered world peace. We, the victims of this policy of atomic warmongering on earth and in space, are convinced that the main battle that must be waged is the battle for peace. We cannot picture drafting economic plans in the next few years without first working in favor of peace.

Nicaragua will continue to support all efforts in favor of a dialogue, disarmament, and agreements that will allow us, once and for all, to halt and decrease the purchase of weapons so that those huge resources can be allocated, with the same strength and reason that today's military budgets are defended, to fight the hunger and misery of the peoples. In this way, we would truly contribute to peace. [applause]

We have always been strong defenders of respect for international law. To ignore these principles would be to violate the human rights of nations. Since 19 July 1979 we placed our foreign policy within the framework of nonalignment. From that position we aspired to have good relations with all nations. For this reason, we will continue to undertake all necessary efforts for the normalization of relations with all Central American countries. [applause] No Central American country should be deceived into thinking that Nicaragua represents a threat against these countries. Nicaragua will never be an aggressor country. Those who are determined to destroy the Nicaraguan revolution are the ones who have invented the lie of a revolution without borders, of an alleged arms buildup, and of a lack of democracy in Nicaragua. With these lies, they are trying to justify an imperialist policy manifested in our region since the past century, a policy of domination that created misery, exploitation, lack of democracy, genocide for the people, and a loss of dignity, independence, and sovereignty. A systematically erratic policy that has forced peoples, like the people of Nicaragua, to seek their liberation from tyrannies like the Somoza tyranny by means of violence, was the outcome of this policy. This is why we have said that if there was a revolution in Nicaragua it was because of the bad U.S. policy; and if there is fighting and demands for justice and democracy in Central America, it is nothing more than the people's just response to that bad policy.

We have never concealed our interest in seeing the changes demanded by the Central American peoples are accepted so that their implementation can be peaceful and thus spare the peoples the painful consequences of violence.

Central America is once again becoming the victim of the interventionist actions of those who are determined to drown the people's demands in blood and once again adopt, as in its best days, the Monroe Doctrine. We invite the Central American leaders to a systematic dialogue to discuss the problems that affect us and to have peace among our nations.

We hereby reaffirm our support for Contadora, that great Latin American effort backed by the international community which has laid its trust on the firm peace effort by Mexico, Colombia, Venezuela, and Panama. [applause] We reiterate our willingness to immediately sign the Contadora Group's peace proposal presented on 7 September 1984. [applause]

We firmly support international law, but we are the victim of the biggest violator of this law, the U.S. Government. Since 1854, we have been the victim of a policy that has no respect for the rights of peoples. The United States has appointed itself an international arbiter entitled to intervene militarily, politically, and economically. We have been the victim of a policy that feels it has the right to oust governments, impose military bases, and foster crime and terrorism on behalf of democracy.

Despite this situation, Nicaragua is not an enemy of the United States. Nicaragua advocates normalizing its relations with the United States whose leaders, without asking the U.S. people, are bent on a genocidal policy against the Nicaraguan people. [applause]

Our trust in international law led us to resort to the International Court of Justice to report the aggression from which Nicaragua is suffering. The U.S. Government has refused to comply with the provisional protection measures dictated by the court on 10 May 1984 and has tried to dodge the court's jurisdiction. If the U.S. Government considers itself entitled to apply its illegal policy against Nicaragua, then it should not be afraid to appear before the court to defend its policy. The United States should comply with the provisional measures dictated by the court.

In addition, we consider that the talks being held in Manzanillo, Mexico, are a splendid opportunity to pave the way for negotiations aimed at achieving agreements within a framework of mutual security that would allow the normalization of bilateral relations between the United States and Nicaragua. [applause]

Regarding the conflict in El Salvador, which is rooted in Salvadoran reality, Nicaragua will continue to support a dialogue to peacefully resolve the problem in that nation. [applause] Regarding the tension between Honduras and Nicaragua and Nicaragua and Costa Rica which was created by the U.S. policy through the establishment of bases and camps for the mercenary forces that cause bloodshed in our fatherland, we are willing to accept all of those persons who have been involved in the armed counterrevolutionary activities after they have turned over to the Honduran and Costa Rican authorities the weapons used in those activities and to immediately reintegrate them into society.

Nicaragua is willing to guarantee the normal return of the persons accepting these measures under the sponsorship of the Honduran and Costa Rican Governments and the International Red Cross. Meanwhile, we hereby express our willingness to continue welcoming those who, after laying down their arms, decide to return to the country under the established guarantees already fulfilled in the cases of 1,500 Nicaraguans who, as we have just said, have accepted these guarantees. In this manner, we would also be working for peace. [applause]

Here is our small fatherland, Nicaragua, we ask all honest Nicraguans to give their best efforts in this struggle for peace. The struggle for peace forces us to redouble our efforts to defeat the aggression that comes from outside. We are not warlike or militaristic. The war from which we are suffering has been imposed by the U.S. military power. Only if we definitively defeat this aggression will the United States become convinced that this revolution cannot be defeated. [applause]

But if, even under these circumstances, the United States carries out a direct invasion, we will not surrender. We will confront and defeat the invaders since, as Ruben Dario once wrote to the United States in 1903 when there was no East-West conflict, life is fire, progress is like a volcano erupting, and where you place one bullet, the future places two. But our America trembles like a hurricane and lives on love, lives, dreams, and vibrates and is the queen of the sun. Watch out, there are a thousand cubs at large, there are a thousand cubs at large. There are a thousand cubs of the Spanish lion at large. [applause]

An intrinsic part of our peace policy will be the continuous struggle to achieve a common front with Latin American and Nonaligned Movement countries, to achieve a new international economic order that regulates our trade and financial situation and benefits international economic stability. We think it is absurd to sustain and defend an obsolete financial and commercial regime through restrictive measures, threats, and blackmail.

We begin this period with the installation of the National Constituent Assembly. We reassert our willingness to maintain a constant dialogue with all sectors of the nation, so that the constitution to be drafted by the National Constituent Assembly will be based on a national consensus. We are pleased to announce that we have started a dialogue with the Episcopal Conference and the Vatican's representative. This is a continuation of the talks begun at the Vatican on 6 September 1984 and represents a decided willingness to achieve peace for the people's benefit.

We maintain our willingness to fulfill the agreements approved at the political parties' summit and we trust that all of the political parties that signed the agreement will join efforts to fulfill the agreements for the sake of our national unity. We support the call for municipal elections on the date established by the National Constituent Assembly. We will advocate the approval of a law for foreign investments to regulate these investments in our homeland. We will promote the drafting and approval of a special law for the Atlantic zone residents, as part of the process that is already under way. As part of the joint efforts between the revolutionary government and all residents in Nicaragua's Atlantic zone, we will maintain a readiness to continue talking with groups originating from that zone such as the Miskito, Sumu, and Rama Sandinist Unity, so that they can lay down their weapons, join civic activities in the country, and participate in the process that is currently under way to draft the special law for the Atlantic coast. [applause]

Ours is a national unity government and this will be proved in the struggle for peace, in the struggle against aggression, in drafting our constitution, in respect for human rights, in freedom of organization and expression, in political pluralism, in the mixed economy, in respect for people's religious beliefs and practices, the workers' participation in the defense and production tasks, in the participation of all the youth, women, and sectors of our nation in the construction and defense of our society.

These years will be more than difficult in implementing and defending Sandino's and Carlos' historical program. The struggle against aggression will continue to be the main task of the organized people, supporting the Sandinist People's Army. New and even greater sacrifices will be necessary for the defense of our homeland, but we fully trust the response of the people, organized in the militias, the reserve battalions, the Battalions for Unconventional Warfare, the revolutionary vigilance, the Interior Ministry troops, the Sandinist police, and the other organizations for the defense of our country. [applause]

We shall not hesitate in resorting to whatever is necessary to counter the grave economic crisis. The humble and working people know better than anyone else the causes of this situation and no one will be fooled with easy and demagogical promises. We do not hope to overcome the crisis in a short time; it will take some time. Meanwhile, we shall struggle to curb the crisis, so that it does not continue to worsen. The 1985 economic program's guidelines are aimed at this. These guidelines can be summarized thus: defense of the production workers' real salary with more discipline and productivity; incentives for the producers; welfare and services for the production workers; struggle against speculators and exploiters. [applause]

We will continue to struggle with the same determination shown by the coffee pickers, with admiration and scrifice, to defeat the CIA's terrorist plans. We will continue to produce for the defense, and for exports, producing foodstuffs and basic services for the population. We will continue to advance in agrarian reform with more land for the peasants, until there is not a single peasant without land in Nicaragua! [applause]

We will continue to advance with the courage of Jose Dolores Estrada, Andres Castro, Benjamin Zeledon, Augusto Cesar Sandino, Rigoberto Lopez Perez, and Carlos Fonseca!

We will continue to be the ardent blood of those who died, so that we do not break our pledges to the workers, peasants, producers, artisans, and the working people! We will continue to follow in the footsteps of those who preceded us in the struggle, those who with the shout "Free Fatherland" offered their lives to achieve our goals! We will continue to be the echo and the new blood of the FSLN which, in turn, is the new blood of Sandino! We will continue with our "Free Fatherland or Death," and we have sworn it here, before the tomb of our brother Carlos and Santos Lopez, the peasant who became a man fighting in the army that defended our national sovereignty and then founded the FSLN with Carlos.

We have sworn this in this same plaza, when we met to rejoice over our victory on 19 July 1979! We have sworn it by the memory of my father, who was a decisive factor in our revolutionary integration, and by the memory of Camilo, who shed his blood during the struggle for our liberation! [applause]

And we have sworn it before the working people, before the FSLN! [applause] We have sworn it before our heroes and martyrs, before Sandino, eternal president of Nicaragua! [applause] We have sworn it and we will fulfill our pledge! [applause]

National unity to achieve peace! Together, united, against aggression! Free fatherland! [crowd shouts: "Or Death!"] [applause]

FURTHER REPORTAGE ON DELEGATIONS TO INAUGURATION

Castro Delegation Arrives

PA101913 Managua Domestic Service in Spanish 1810 GMT 10 Jan 85

[Text] Commander in Chief Fidel Castro, Cuban president and president of the Cuban Councils of State and Ministers, arrived in Nicaragua today. Upon deplaning, the Cuban president was received with a warm embrace by Commander of the Revolution Daniel Ortega Saavedra, Nicaraguan president-elect. Castro was also met by Nicaraguan Foreign Minister Miguel D'Escoto Brockman; Julio Lopez, chief of the International Relations Department; Ramiro Bermudez, minister of the Nicaraguan Institute of Mines and Hydrocarbons; Brigade Commander Lenin Cerna, chief of the State Security Directorate; and Brigade Commander Omar Cabezas Lacayo, chief of the Interior Ministry Political Directorate.

The Cuban president is here as a special guest to attend the inauguration of Commander of the Revolution Daniel Ortega, president of the Republic of Nicaragua.

Commander Fidel Castro arrived on Nicaraguan soil at 1025. He was met by our country's top officials, including Commander of the Revolution Daniel Ortega Saavedra, president-elect, and Foreign Minister Miguel D'Escoto. Here is a report on the arrival of the top Cuban leader.

[Begin report] Commander Fidel Castro Ruz is now coming down the steps from the Cubana de Aviacion plane. He has raised his cap to salute the Nicaraguan people. [Words indistinct] at this moment he warmly embraces Commander of the Revolution Daniel Ortega Saavedra, president-elect of the Republic of Nicaragua. He now embraces Father Miguel D'Escoto Brockman, Companero Dionisio Marenco, and brigade commander companero... [rephrases] Here comes another of the personalities who are greeting Commander in Chief Fidel Castro Ruz. Others who are here to greet Commander in Chief Fidel Castro Ruz include Father Fernando Cardenal and other distinguished members of the cabinet of the revolutionary government. They welcomed the top leader of the Cuban people, Commander in Chief Fidel Castro Ruz. [end report]

Following the embraces between the distinguished visitor and the Nicaraguan authorities, Commander Fidel Castro expressed satisfaction at being in Sandino's land. It should be noted that this is the second time the Cuban president has visited free Nicaragua. The first time was on the occasion of the celebration of the first anniversary of the victory of the Sandinist people's revolution in July 1980. Here is another report of the arrival of Fidel Castro Ruz, commander in chief of the Cuban revolution:

[Begin report] We tried to get as close as possible to Castro before he entered the vehicle that will now take him to a location where he will probably talk with Commander Daniel Ortaga Saavedra, Nicaraguan president-elect. Reporters tried to talk to him. He was walking very rapidly but waved a fraternal greeting and sent a very warm embrace to the Nicaraguan people. He quickly expressed his great satisfaction at being once more in Sandino's land and being among his Nicaraguan brothers again.

He rapidly entered the vehicle and now his entire retinue, as well as that of the Nicaraguan Government that came here to the Augusto Cesar Sandino International Airport to welcome him, have left. [end report]

Cuban President Fidel Castro heads the largest delegation to the inauguration of Commander of the Revolution Daniel Ortega Saavedra, president of the Republic.

The Cuban head of state is accompanied by Communist Party of Cuba Politburo members Carlos Rafael Rodriguez and Manuel Pineiro, as well as by Diocles Torralba, minister of the sugar industry; Vice Interior Minister Jose Abrahantes; Vice Foreign Minister Ricardo Alarcon; State Council Secretary Jose Antonio Miyar; and Flavio Bravo, president of the National Assembly of the People's Government. Others accompanying the Cuban president are Companero Julian Lopez, Cuban ambassador to Nicaragua, and the famous Latin American novelist Gabriel Garcia Marquez.

Once more, the Cuban Government and people have expressed their solidarity by being present at an event of great significance in the history of our country. Once again, Cuba and Nicaragua are united in a single embrace for the cause of their peoples.

Argentina's Martinez Meets Castro

PY110024 Buenos Aires TELAM in Spanish 2302 GMT 10 Jan 85

[Text] Buenos Aires, 10 Jan (TELAM) -- Cuban President Fidel Castro today expressed his concern over Argentina's high foreign debt, and he was also interested in the details of the renegotiation that Argentina carried out with the IMF. Castro discussed these topics with Argentine Vice President Victor Martinez, who expressed his satisfaction regarding the reactivation of Argentine-Cuban trade links.

Martinez and Castro talked today in Managua, Nicaragua, during the course of a luncheon that was given by the new president of that country, Daniel Ortega, to honor the foreign delegations that have arrived for the inauguration.

This information was released this afternoon at the National Congress through a communique that was distributed by Pedro Lopez, press director of the Senate's presidency.

Martinez today also attended the first session of the Nicaraguan National Assembly, and he met with the economic authorities of the Sandinist government to study the possibility of increasing trade between Managua and Buenos Aires.

Contadora Mission, Others

PA102156 Managua Radio Sandino Network in Spanish 0000 GMT 10 Jan 85

[Text] Member of the Presidency of the Socialist Federal Republic of Yugoslavia Sinan Hasani was received with honors accorded to a head of state by Commander of the Revolution Daniel Ortega Saavedra, Nicaraguan president-elect. The Deputy Chairman of the GDR State Council Egon Krenz; Vice President of the DPRK Pak Song-chol; (Jubersendong Nuragoa) of Mongolia; and Vice Chairman of the Vietnamese State Council Chu Huy Man have also arrived in our country. They were met by Vice President-elect Sergio Ramirez Mercado.

The four foreign ministers of the Contadora Group -- Isidro Morales Paul from Venezuela; Augusto Ramirez Ocamp from Colombia; Bernardo Sepulveda from Mexico; and Fernando Cardoze from Panama -- are among the personalities that have arrived. They were met by Foreign Minister Miguel D'Escoto.

Other arrivals include: Flavio Bravo Pardo, president of the Cuban National Assembly of the People's Government; WPC President Romesh Chandra; Hans-Jurgen Wischnewski, representative of Socialist International President Willy Brandt; (Paul Reuter), our country's lawyer at The Hague; and Moises Melamed, vice president of the Panamanian Legislative Assembly. The following personalities have also arrived: Sim Kar, president of the PRK Party and State Control Commission; Laotian Industry Minister Maisouk; Daniel Antonio, from Mozambique; and Robert Richard from France.

Liber Serengi, Juan Bosch

PA101615 Managua BARRICADA in Spanish 9 Jan 85 p 5

[Text] Commander Daniel Ortega's presidential inauguration will be an event for free men, and the best of these men from Latin America, those who have moral authority and are capable of shunning imperialism's fruitless efforts at ignoring this true government, will be present for the event. This statement was made last night by Liber Serengni and Juan Bosch on their arrival in Managua. Seregni was greeted by Culture Minister Ernesto Cardenal, Jose Pasos Marciacq, deputy chief of the FSLN's Department for International Relations, and other Sandinist leaders. Seregni also warmly greeted a group of Uruguayans living in Nicaragua. Seregni, who was not allowed to participate in the recent Uruguayan elections, spoke with optimism about his country's future. He stated that as of 2 March there will be no more political prisoners in Artigas' fatherland. He noted that this situation will also favor Raul Sendic, legendary founder of the National Liberation Front, Tupamaros. The leader of the Uruguayan Broad Front, a coalition of leftist and progressive groups, parties, and people, said it is necessary to consolidate the democracy that has been born in this country and called for peace, which cannot exist, he said, as long as there is injustice. He said that this country is in ruin, and for this reason the struggle will be very difficult.

Former President of the Dominican Republic Juan Bosch said that the American delegations present at the inauguration will represent an endorsement of the legitimacy of the process and of the Government of Nicaragua. These representatives and delegates will be telling the world: "We do believe in the Nicaraguan elections and revolutionary process." He characterized the Contadora endeavor as an effort that has been systematically obstructed by the United States.

Spanish Culture Minister Javier Solano also arrived last night. He brought a letter from Spanish Prime Minister Felipe Gonzalez that he will personally deliver to Commander of the Revolution Daniel Ortega.

GREEK COMMUNIST PARTY CONGRATULATES ORTEGA

For an Athens RIZOSPASTIS report on a congratulatory message sent by the Central Committee of the Greek Communist Party to President Daniel Ortega, see the Greece section of the 11 January Western Europe DAILY REPORT.

PSC'S JARQUIN ON COOPERATION WITH GOVERNMENT

PA101526 Managua Radio Sandino Network in Spanish 1200 GMT 10 Jan 85

[Text] A Social Christian Party [PSC] leader has stated: We are willing to cooperate with the new government. Referring to the help that the Social Christians could give the government that will be installed today, Agustin Jarquin, the president of that party, said that they are willing to give their unselfish cooperation. He suggested that the new government might be able to promote initiatives to overcome the national crisis.

[Begin recording] [Jarquin] We have said enough about the character and nature of the elections that brought about the government that will take office tomorrow, 10 January. Our stand on this has been clear; we have been clear in our approval or rejection of those elections. However, we believe it is important to state that in the face of the national crisis, the ruling party, which is the same one that has been ruling for the past 5 and 1/2 years and will continue to rule after 10 January, could, depending on the political initiatives that (?it brings about) and changes in its traditional policy on matters of domestic policy, economy, and foreign policy, be able to promote initiatives genuinely beneficial to overcoming the national crisis.

To this end, it is important and essential to promote efforts leading to a national reconciliation. So long as this does not take place, domestic policy will further deteriorate and other crises being experienced by Nicaraguans, such as the economic and social crises and the violence, that is the military crisis, will continue. They will not be resolved so long as changes are not made within the ruling party's domestic policy.

[Reporter] Agustin, do Social Christians value the fact that for the first time in the history of our country a leader will take over as president as a result of popular elections?

[Jarquin] Oscar, I commented on our stand on the process that led to Commander Daniel Ortega's assumption of the presidency. That was clearly confirmed by our absence in those elections. [end recording]

LA PRENSA WORKERS SUSPEND PUBLICATION AS PROTEST

PA100349 Panama City ACAN in Spanish 2322 GMT 9 Jan 85

[Text] Managua, 9 Jan (ACAN-EFE) -- The workers union at the opposition newspaper LA PRENSA in this capital today decided to suspend the publication of the newspaper "to protest the arbitrary censorship applied by the Directorate of Media Communications" in Nicaragua. Guillermo Castrillo, president of the union, said that the resolution was made today by the newspaper's 240 employees, who described the censorship of LA PRENSA as "a grave injustice." At a press conference Castrillo asked that "Daniel Ortega, the new president of Nicaragua, immediately order that LA PRENSA, its workers, and its reporters be allowed to work freely, without pressure, threats, or restrictions." The union leader said that the censorship applied by Lieutenant Nelba Cecilia Blandon, director of the Directorate of Media Communications "is an offense."

Meanwhile, Violeta Barrios de Chamorro, president of LA PRENSA, said that the newspaper's board of directors "is in solidarity with the attitude adopted by the workers." This month, LA PRENSA interrupted its publications on two occasions due to the "excessive censorship applied by the Directorate of Media Communications." The first time was on 2 January, and the second time was yesterday.

Violeta Chamorro on Censorship

PA100115 San Jose Radio Impacto in Spanish 1830 GMT 9 Jan 85

[Report by Managua correspondent Luis Mora Sanchez -- recorded]

[Text] Managua -- Violeta Barrios de Chamorro, Pedro Joaquin Chamorro Cardenal's widow, said this morning that her late husband's cause is even more timely now, even though 7 years have passed since his murder. She said: I wish there were more freedom in this country so that all of us could live happily, but 7 years after his murder the newspaper that Pedro directed for years has been closed down. We have been censored by the Sandinist government for the past 3 years. All I can say is that I wish there were more freedom in our homeland; it is impossible to live here anymore. She made this statement during an exclusive interview with Radio Impacto.

Regarding press censorship, she said that the censorship has become unbearable. Mrs Chamorro is a former member of the Junta of the Government of National Reconstruction. She went on to say that unimportant things, for instance, were deleted from yesterday's newspaper. These things included a write of protection, a letter to Commander Daniel Ortega, and other similarly unimportant pieces of information.

She stressed: Daniel Ortega's government will take office tomorrow, yet we have no freedom. Asked whether the Sandinist regime's persistent hostility toward LA PRENSA, Nicaragua's only opposition newspaper, might lead the newspaper's board of directors to close it down permanently, Mrs Chamorro answered: No. LA PRENSA will stand firm to the very end. Only a direct order by the Sandinist regime will close us down.

EXILE GROUPS URGE NONRECOGNITION OF ORTEGA

PA100416 Panama City ACAN in Spanish 1436 GMT 9 Jan 85

[Text] San Jose, 9 Jan (ACAN-EFE) -- Twenty-four anti-Sandinist groups in exile demanded in this capital that Commander Daniel Ortega's assumption of the presidency of Nicaragua should not be recognized.

Spokesmen for the groups in exile told the press here that Ortega "became president through an electoral farce," and he was described as an "usurper of power."

Oscar Leonardo Montalban, spokesman for the Nicaraguan Democratic Force, FDN, said that in the case of Daniel Ortega's election, "the right to use force has prevailed over the strength of the law." "Ortega's rise to power is the product of a fake process and a dictatorial plebiscite. Therefore, to recognize him as president of Nicaragua would be equivalent to legitimizing the Nicaraguan people's slavery," Montalban said.

The Nicaraguan Private Sector in Exile, whose spokesman is Faud Farach, former president of the Nicaraguan Agricultural Producers' Union, said that the recognition of Ortega as president "would represent a blow with incalculable consequences."

The business group, which was organized in this capital 2 months ago, asserted that the region will never achieve progress in any economic sector "as long as we have a Marxist-Leninist government in the heart of Central America."

The Nicaraguan Unity for Reconciliation, UNIR, organization rejected the "alleged FSLN proposal that will be issued on 10 January" because "all of the FSLN proposals have been issued within the framework of the well-known Leninist tactic of taking one step forward and two backward."

UNIR is comprised of the FDN; the faction of the Democratic Revolutionary Alliance, ARDE, that supports Alfonso Robelo; and the Misura and Black Creoles organization led by the Miskito Wycliffe Diego.

However, Nicaraguan Ambassador Leonor Arguello said in this capital that a campaign has been prepared to tarnish Daniel Ortega's brilliant inauguration as "the only president who has been freely elected in our country's history."

MISURA REPORTS CONDITION OF 23 SANDINIST PRISONERS

PAL01544 Tegucigalpa LA TRIBUNA in Spanish 9 Jan 85 p 2

[Text] Tegucigalpa -- The Miskitos, Sumus, and Ramas [Misura], whose leader Steadman Fagoth was expelled from the country yesterday, reported here today that the 23 Sandinists taken prisoners by its forces "are safe and sound in Nicaraguan territory."

Misura also expressed a willingness to exchange the 23 prisoners for 10 insurgents in the Sandinist Army's hands and added that, it is waiting for a response from the Contadora Group, asked to mediate in the conflict on 28 December.

Fagoth was arrested on Friday, immediately after reporting about the prisoners' situation at a press conference. He said that the prisoners "would be shot" unless attacks on the military base where they are being held stop. The prisoners were captured on 25 December.

According to Fagoth, the prisoners, 22 militiamen and 1 noncommissioned officer, were captured when Miskito forces seized Tasba Pauni, 20 km from Bluefields, Zelaya Department, on the Nicaraguan Atlantic coast.

Although the Misura leader said that he did not know the fate of the prisoners and his forces because of an interruption in the communications with his base, the Misura General Staff stressed today that "it has made contact with that sector."

In a communique issued somewhere on the Nicaraguan Atlantic coast by "Raul Tobias, subcommander of the Misura General Staff," and distributed in Tegucigalpa this afternoon, it was indicated that according to reports, our combatants "were able to break the siege laid by more than 1,200 Sandinist troops."

Tobias said that although 5 brother combatants were lost in the struggle, the 23 members of the Sandinist Army are safe and sound and in a safe area inside Nicaragua.

In conclusion, he said that they continue to wait for a response from the Contadora Group or any international organization that wants to serve as mediator in the prisoner exchange.

CASTRO ATTENDS DANIEL ORTEGA INAUGURATION

PA101215 Paris AFP in Spanish 1003 GMT 10 Jan 85

[Text] Managua, 10 Jan (AFP) -- It was learned from diplomatic sources here that Cuban head of state Fidel Castro will arrive in Managua on Thuraday to attend the inauguration of new Nicaraguan President Commander Daniel Ortega.

Official circles have maintained absolute secrecy with regard to Castro's arrival in Managua, although increased security measures have been noted in the city in the past few hours.

A Latin American diplomat who asked not to be identified told AFP: "It is a fact that the top Cuban leader will participate in the official inaugural ceremonies of Commander Daniel Ortega." The diplomat said he did not know how long the Cuban head of state would remain in Nicaragua, nor the hour of his arrival here.

Fidel Castro visited Nicaragua for the first time on 19 July 1981 [as received] on the occasion of the commemoration of the second anniversary of the Sandinist revolution.

Consequently, this would be his second official visit to Nicaragua, and analysts believe he will become the center of attention at the celebrations of the Sandinist government.

The informant noted that Castro will probably use his stay in Managua to meet with the foreign ministers of the Contadora Group, made up of Mexico, Colombia, Venezuela, and Panama, who have been here since Wednesday afternoon.

Further Report

FL101910 Havana Television Service in Spanish 1800 GMT 10 Jan 85

[Text] Cuba's president of the Councils of State and Ministers arrived today in Managua to attend President-elect Daniel Ortega Saavedra's inauguration. Cuba's Communist Party Central Committee first secretary was warmly greeted by members of the Sandinist Front National Directorate and Government junta. Fidel Castro and Daniel Ortega embraced after the Cuban leader walked down the ramp of the plane which took him from Havana to Managua.

Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers and Politburo member, and other Central Committee members accompanied Fidel.

The commander in chief visited Nicaragua on June 1980 [as heard] on the occasion of the Sandinist revolution's first anniversary, when he made a speech during the main commemorative ceremony. At the time, he visited several Nicaraguan cities.

The party's first secretary and president of the Council of State and Ministers is accompanied by a large delegation.

FIDEL CASTRO MOURNS DEATH OF PRK'S CHAN SI

BK080806 Phnom Penh Domestic Service in Cambodian 2300 GMT 5 Jan 85

[Text] Comrade Fidel Castro, first secretary of the Communist Party of Cuba Central Committee, chairman of the Council of State, and chairman of the Council of Ministers of the Republic of Cuba, recently sent a message to Comrade Heng Samrin, general secretary of the party Central Committee and chairman of the Council of State of the PRK, expressing condolences over the death of Comrade Chan Si, Political Bureau member and chairman of the Council of Ministers of the PRK. The message stressed:

On behalf of the Cuban party, government, and people, I have the honor to send to you and, through you, to the KPRP Central Committee, the government, and the people of Cambodia my most heartfelt condolences over the death of Comrade Chan Si, Political Bureau member and chairman of the Council of Ministers of the PRK. Comrade Chan Si was a tireless revolutionary militant and a famous son of the Cambodian people. He death is a most tragic and sorrowful loss that we regard also as our own.

CASTRO MEETS WITH SPANISH NEWSPAPER DIRECTOR

FL101330 Havana Domestic Service in Spanish 1145 GMT 10 Jan 85

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, has met with Spanish journalist Juan Luis Cebrian, director of the important Madrid daily EL PAIS, and his wife Inmaculada Gonzalez. During the cordial talks, they discussed several matters related to Cuba's socioeconomic and political development, the general international situation, and the professional exercise of journalism.

AGREEMENT ON CITIZENS TRAVEL SIGNED WITH USSR

FL102034 Havana Domestic Service in Spanish 1904 GMT 10 Jan 85

[Text] Representatives of the Governments of Cuba and the Soviet Union today signed an agreement on reciprocal travel by citizens of both countries. The document, signed in Moscow, states that both nations have decided to make this agreement because they want to continue developing and strengthening the fraternal friendship and multilateral cooperation. Its purpose is also to improve the procedures for trips by citizens of both countries.

The agreement and its protocol annex were signed by Ambassador Lionel Soto for Cuba and Deputy Foreign Minister Nikita Ryzhov for the Soviet Union. After the signing, the Soviet official said the agreement signifies an important step in the development of consular relations between the two countries and referred to the ties of friendship that unite the two states.

USSR, U.S. AGREE TO BEGIN ARMS NEGOTIATIONS

PA100034 Havana International Service in Spanish 1600 GMT 9 Jan 85

[Excerpt] The USSR and the United States agreed on Tuesday in Geneva to begin, in the very near future, negotiations geared toward reducing their nuclear arsenals, as an initial step toward the total elimination of these weapons. A joint communique announcing this agreement was issued in this Swiss city at the end of the 2-day meeting between Soviet Foreign Minister Andrey Gromyko and U.S. Secretary of State George Shultz.

Both sides decided that in future negotiations, issues related to nuclear and space weapons, strategic as well as medium-range, will be discussed.

The objective of the negotiations, the communique states, will be to work for effective agreements that will prevent an arms race in space and eliminate the terrestrial race, with a view to eliminating nuclear arsenals and seeking strategic stability.

Decision Considered 'Good News'

PA102302 Havana International Service in Spanish 0000 GMT 10 Jan 85

["World Events" commentary]

[Text] The United States and the USSR have agreed to initiate negotiations on space and nuclear weapons, with the objective of limiting and reducing them until they are totally eliminated. The agreement was made by Soviet Foreign Minister Andrey Gromyko and U.S. Secretary of State George Shultz, after meeting for 2 days in the Swiss city of Geneva.

The announcement of such good news brings joy and hope to all of the forces that love peace, security, and harmony among peoples. The fact alone that the two great nuclear powers of our era have agreed to sit down and negotiate, opens a period of detente that could lead to understanding and cooperation that would benefit all of humanity. The agreements reached by the USSR and U.S. representatives at least create the hope that the government in Washington, as President Ronald Reagan has said, wants peace and detente to prevail in the world.

After a hiatus of more than a year when no dialogue was held between the two nuclear powers and with an increase in world tensions after the break up of the negotiations on strategic and medium-range weapons, as a result of U.S. insistence on achieving military supremacy over the USSR, nothing can be more pleasing than the announcement that Washington has at last decided to follow the path of peaceful negotiations. The beginning of these new negotiations is a new link in the efforts that have been carried out for more than two decades to prevent a conflict that would drag humanity to the nuclear holocaust.

Almost 22 years ago, in 1963, agreements were signed that prevented nuclear experiments in the atmosphere and underwater. In 1967 an agreement was made to keep space free from these types of weapons. The signing in 1972 of the Salt I agreements on strategic arms, the beginning in Vienna the following year of negotiations on the reduction of troops and arms in Central Curope, and the signing of the final document of the conference on Security and Cooperation in Europe in 1975 in Helsinki, were advances on the path to disarmament, which were never totally fulfilled.

The signing in 1979 of the Salt II agreements, which considerably limited the number of missiles and strategic bombers, was a disarmament measure that was interrupted when the U.S. Congress decided not to ratify the agreement. In this same Swiss city of Geneva, where the agreement to initiate global negotiations on disarmament has now been made, talks were held for more than 2 years but led to no agreement whatever. They were interrupted by the USSR at the end of 1983 when the United States began deploying Pershing II nuclear warheads and cruise missiles in Western Europe, with the pretext of a supposed Soviet military superiority. Other efforts, such as the Madrid conference or the Stockholm conference, intended to create measures of confidence and security in Europe, have also failed as a result of the stubbornness and intransigence of the United States and its allies.

With the failure of the U.S. Government's attempts to blackmail and intimidate the USSR and other socialist countries as instruments of foreign policy, it seems that the United States has decided to return to the path of detente and peaceful coexistence, the only way to guarantee security and survival in the nuclear era. Humanity hopes for this.

SUMMER LINGUISTICS GROUP CRITICIZED IN MEXICO

PA100135 Havana International Service in Spanish 1800 GMT 8 Jan 85

[Report by Juan Roberto Loforte, PRELA correspondent in Mexico City -- recorded]

[Text] The Summer Linguistics Institute [ILV] distorts and destroys the Indian culture, the Under Secretariat of Indian Affairs of Chiapas State has charged here. Alejandro Robelo, head of this government office, asserted that the ILV has violated the agreement it signed with the Secretariat of Education, which limits its work to drafting manuals to teach Indians to speak and read Spanish.

The Unified Socialist Party of Mexico [PSUM] has issued an official document here in which it asserts that the ILV's activities represent a violation of Mexican laws, infringe upon the national sovereignty, and pose a danger to the vital interests of the Mexican people. The PSUM document explains that the U.S. intrusion through the introduction of Anglo-Saxon Protestant ideas has led to division and violent confrontations in communities because the education being imparted to the Indians is characterized by individualism and competitiveness.

The complaints against the ILV include the mass sterilization of women, the propagation of the U.S. lifestyle, testing of new medicines by using the Indians as guinea pigs, drug trafficking, and archeological plundering.

The list of charges against the ILV also includes scientific espionage in favor of the U.S. military complex, which consists in the destruction of deposits of strategic minerals and the promotion of consumption of transnational products made in the United States.

Many analysts and persons studying the situation have said that the ILV is directed and financed by the CIA and also by transnational corporations. PSUM also says that the ILV is mainly a political, ideological, and religious institution, disguised as an academic, scientific, and charitable institution.

MATANZAS BUILDS NEW THERMOELECTRIC PLANT

FL102043 Havana Television Service in Spanish 1800 GMT 10 Jan 85

[Text] A thermoelectric plant under construction in Matanzas Province will save over 100,000 tons of petroleum annually. The 330 megawatt plant will begin to operate in 1986. Valued at over 180 million pesos, 40 percent of its general construction work and 25 percent of the assembly of its boiler are completed. It will have a high level of automation and mechanization and will receive petroleum through a pipeline. When it goes into operation, the electro-energetic system of the country's eastern region will be reinforced.

ALMEIDA ATTENDS CEREMONY AT HISTORY MUSEUM

FL101550 Havana Domestic Service in Spanish 1100 GMT 10 Jan 85

[Text] With the attendance of Commander of the Revoluation and Politburo member Juan Almeida, a ceremony has been held during which a star and a calling card used by Commanding General Maximo Gomez, a famous figure of the war for independence, was donated.

These historic relics were donated by Bertha Fernandez, widow of Carlos Alfara Varela, former Cuban ambassador to Spain. Bertha Fernandez had these relics as family keepsakes and gave them to Eusebio Leal, historian and director of the city's museum, for their preservation.

DOMINICAN REPUBLICAN

VENEZUELA AGREES TO RESTRUCTURE OIL DEBT

FL091220 Bonaire Trans World Radio in English 1130 GMT 9 Jan 85

[Text] The Dominican Government said yesterday that Venezuela has agreed to restructure the Dominican Republic's $181-million oil debt. The repayment program, which was proposed by the Dominican Government, will go into effect today when the island will pay a $22-million installment, another $65 million will be paid in the course of 1985, and the last $94 million in the first 6 months of 1986. A three-man delegation traveled to Venezuela several days ago with the restructuring proposal. Venezuela and Mexico each year sell oil to a score of Caribbean nations under special terms outlined in the San Jose agreement. The two countries provide equal shares of the 28,000 barrels per day consumed by the Dominican Republic.

ARGENTINA INCREASES TRADE CREDIT BY $3 MILLION

FL041440 Santo Domingo LISTIN DIARIO in Spanish 28 Dec pp 1,10

[By Miguel Longo]

[Excerpt] The Argentine ambassador to the Dominican Republic, Jorge Vasquez, said yesterday that the Argentine Government has decided to increase by $3 million the existing trade credit of $40 million granted to the Dominican Republic. This increase can be used immediately by the Dominican Government, autonomous public institutions, and the private sector, the diplomat said. The conditions for the financing of these additional resources will be the same as those of the original trade credit granted in 1981 and made effective in April 1983: cash payment of 15 percent of the FOB cost of the imported products and the remaining 85 percent to be paid in 8 and 1/2 years, with payments every 6 months. The yearly interest rate is fixed at 7.5 percent. With this credit, the Central Bank of Argentina is financing the purchase of finished and semifinished goods and products, technical services, research, studies and technical advice, and diverse equipment.

COMMISSION APPOINTED TO INVESTIGATE MURDERS

FL101735 Bonaire Trans World Radio in English 1130 GMT 10 Jan 85

[Text] A top-level commission headed by the country's assistant chief of police has been appointed to investigate the murder of a banker kidnapped last week and the murder of a man who stopped to help him. The bodies of the two men were found Monday in a vacant field 10 km east of Santo Domingo.

The Dominican Republic's attorney general calls the murders a crime without precedence in the country's criminal history.

GUYANA

RICE BOARD REPORTS ON 1984 RICE PRODUCTION

FL051700 Bridgetown CANA in English 1558 GMT 5 Jan 85

[Text] Georgetown, Guyana, Jan 5, CANA -- Rice production last year totalled 184,129 tons, just 1,226 tons short of the target, the Guyana Rice Board said today. The figure was 24.7 per cent up on last year's output of 147,591 tons.

We are forecasting a production of 173,548 tons for this year because a lot of time has been lost due to overlapping of the 1984 second crop harvesting period, a spokesman for the board said.

The 1985 crop year budget provides for a general standard of production to satisfy Guyana's contractual commitments to overseas customers without interrupting home supplies, the official said.

Export figures are not yet available, but during 1983 the board sold 41,715 tons of the commodity and earned 65 million dollars (G) (one G dollar: 22 cents U.S.).

JAMAICA

PNP REAFFIRMS SOLIDARITY WITH SANDINISTS

FL102056 Bridgetown CANA in English 2023 GMT 10 Jan 85

[Text] Kingston, Jamaica, Jan 10, CANA -- Jamaica's opposition People's National Party (PNP) has reaffirmed its solidarity with Nicaragua's Sandinist government and said it would continue its efforts to mobilize international support for the leftist regime. The party's general secretary Dr Paul Robertson expressed these sentiments in a congratulatory cable to Daniel Ortega, who is being inaugurated as Nicaragua's president today.

PNP leader and former Jamaica prime minister, Michael Manley, is not attending the ceremony because of illness.

TRINIDAD AND TOBAGO

PRIME MINISTER CHAMBERS ANNOUNCES 1985 BUDGET

FL101717 Bonaire Trans World Radio in English 1130 GMT 10 Jan 85

[Text] Trinidad Prime Minister Chambers has announced his country's budget for this year, and it includes increases in government fees for 1985. Acting in his capacity of finance minister, Mr Chambers outlined the plan yesterday in the Parliament Chamber of the Red House in Port-of-Spain. He offered a greater role for private enterprise as part of an effort to revive the sluggish construction industry. Increased duty on foreign exchange sales and a hike of sugar, livestock and poultry feeds are among other measures planned to raise needed funds for the upcoming fiscal year's development projects.